CHAPTER- I
INTRODUCTION

1.1 Background of the Study

Nepal being one the poorest countries of the world has limited opportunity for the faster economic growth. We have abundant resources for which the country enjoys competitive advantages. The exotic culture, unique social setting, arts and architecture, religion and above all people themselves are the resources, if harnessed appropriately could bring about noteworthy achievements. Tourism represents one among such sectors, which could rebuild the image of the country bringing back multifaceted benefits to the country and the people at large. The fifty years of tourism in Nepal has established a commendable example for the other sectors of the economy as well. Nepal is a tourist's paradise with an infinite variety of interesting things to see and do. From the lofty snow capped Himalayan mountains of Everest, Kanchenjunga, Annapurna, Dhaulagiri and many other peaks, to the populated valleys, and the forested plains where the tiger and the rhinoceros roam, forest full of wild life, birds and flowers to shrines, temples and palaces with ageless sculptures and legend, the country provides the tourist with a fascinating mix of unparalleled nature beauty with a rich and ancient civilization. Trekking, white water rafting and mountaineering are popular tourist activities.

Tourism has been the main industry of this land locked country. Nepal is a land of the unparallel beauty with its unique flora and fauna topping the majestic Himalayan range including the highest peak in the attracted in ever-increasing numbers. Nepal has managed to retain its old-world charm. Juxtaposed between two Asian giants, China to the north and India to the south, Nepal is a land of temples (Pashupati, Krishna Mandir, Manakamana and Muktinath being the most famous), stupas and monasteries (Swayambhunath and Bouddhanath or Tengboche), World Heritage Sites (the birthplace of the Buddha Lumbini or the ancient cities of Patan and Bhaktapur), stunning views, popular lakes (like the Phewa lake at Pokhara), snow-capped mountains (including, the 8,848-metre Everest) and national parks (like Chitwan and Bardia). The mountains and majestic Himalayas are the true tourism assets and icons of our nation. Trekking tourism is the most popular type of mountain

tourism in Nepal, followed by mountaineering and rafting. There are at least a dozen areas in the mountains of the mountains of Nepal that has been opened for tourists. Some of the most popular areas are the Annapurna Conservation Area (ACA), Sagarmatha National Park (SNP), and Langtang National Park (LNP). (Nepal's Tourism Blitz: Ravi Sharma).

Nepal is a country having international glory for adventure and culture bewilderment. The number of world heritage sites within a small limited area has pointed out the importance and authenticity of its culture, tradition, and ethnicity. The heritage sites have become an indispensible resource for the development and promotion of tourism in the urban as well as rural sector of the country.

The autumn and winter seasons are when the country sees greater arrival of tourists than in the other months of the year. The seasonality factor is quite worrying yet not much has been done as how to attract visitors during the other months as well. In the past, not much concerted action was undertaken to make the tourists come during the other months also. But now, there has been a growing realization that tourism products ought to be designed whereby the same resources could be tapped for more benefits to the country.

Tourism is obviously a heavy weight industry and a source of previous foreign exchange. These roles of the tourism industry for the economic development of Nepal can hardly be exaggerated. Tourism has been a driving force for the economic development of Nepal. It also employment opportunities for a millions of people both directly and indirectly. Being the poorest countries of the world, its opportunities for the faster economic growth are limited. We have abundant resources for which the country enjoys competitive advantages. The exotic culture, unique social setting, arts and architecture, religion and above all people themselves are the resources, if harnessed appropriately could bring about noteworthy achievements. Tourism represents one among such sectors, which could rebuild the image of the country bringing back multifaceted benefits to the country and the people at large.

Tourism sector has long been driving force for the economic development and remained as a major economic activity of Nepal. It represents around 4% to the country's GDP and almost 20% of the total foreign exchange earnings and is also a major source of employment. In

1996, the revenue from tourism was around 116 million US dollars contributing to more 4% of total foreign exchange earnings. The world tourism has not been quite satisfactory during the year 1998. His majesty's government introduced Visit Nepal 1998 year with a plan to attract half a million overseas visitors. International tourists movement experienced the growth of only 2.4% over 1997. A total 464 thousand tourists visited Nepal in the year 1998 against 422 thousands in the 1997. The amount of investments in terms of finance, services and international promotion during the year 1998 has resulted into deriving continued benefits in the successive years. As its spillover effects, the year 1999 also has experienced a growth of around 6%. After, 1999 flow of tourism is in decreasing year after year. There has been a slight decrease terms of Indian arrival whereas the third country tourists who are known basically contributing on countries foreign exchange reserve has increased impressively. Average length of stay in the year 1998 was 10.8 days per visitor and their average spending day remained at US$ 38 during the year 1997. Nepal earned US$ 152 million in the year 1998 an increase of 32% in single year. After, 1999 the flow of tourism in Nepal is in decreasing trend. From an assessment of Nepalese tourism industry, it transpires that there was more than 13% drop in the annual volume of tourist influx to Nepal during 2000 as against that of the previous year. One of the striking features of this decline was considerable decrease in the flow.

After peace accord signed between the government and the fighting Maoists, the tourism industry has been the significant improvement. There has been huge growth in the tourist arrivals compared to that of 2006, 2007, 2008 and 2009. It is expected that the growth will even cross the highest tourist arrival record of 1998. Which year has been considered as the best year with the tourists arrivals of nearly half million. The tourism industry is waiting for the golden days in 2010.

The international tourism and travel now constitutes the world's largest and most rapid expanding industry. Globally, more than 613 million international tourists move from place of permanent residence each year, and this figure is expected to reach 1.6 billion 2020 (WTO, 1999). In terms of world tourism, tourist arrivals in Nepal account for only percent of international tourism receipts. This indicates the gap between the potential realities in the tourism sector. In 2001, Nepal has been voted second in the Top country Category out of

180 countries in the wanderlust Travel Awards 2001. Having so much potentially, still we are not able to attract more tourists in Nepal. This is due to the poor promotions as well as present environment of this country.

The most crucial factor is that without planned promotions, and marketing of Nepal as a tourist destination and marketing tourist product, it will not be possible to advance the concept for realistic achievement. His majesty's Government of Nepal has accorded high priority to the sustainable development of tourism and has made poverty alleviation a primary objective of the tourism sector. Before the formation of Nepal Tourism Board (NTB) in 1999, the promotion of tourism was completely handled by Government of Nepal. The Nepal Tourism Board, NTB was established by an Act of Parliament, as a partnership between the private sector tourism industry and His Majesty's Government. The Nepal Tourism Board has to play a vital role in the marketing and publicity of Nepalese tourism. The country now has over 532 Travel Agencies and 337 Trekking Agencies (Source: NTB).

The Government of Nepal has given emphasis for the promotion of regional tourism. In this connection, the government on its budget plan for the fiscal year 2003/04 has waived the visa fee for tourists of China and SAARC countries (Pakistan, India, Sri Lanka, Bhutan, Maldives and Bangladesh). Visa fee has been also waived to those re-entering within one year of 15 days long stay in Nepal. Similarly, those who will stay in Nepal only three or less so not need to pay visa fee.

The thesis highlights e-marketing prospect of tourism industry of our nation. In this respect, the findings of his thesis seem to be practical and useful given the present state e-marketing prospect of tourism in Nepal. Top priority is to be given to its continuous development and promotion with the right formula.

Marketing in tourism play most critical part. It is a well – known fact that as long as the inherent sense of curiosity and adventure dwells in the heart of human beings, the desire to travel in order to see new sights and experience new things and to live under different environments, will always grow. It may be presumed that such being the case, marketing in the tourism industry is greatly simplified; as part of the process has already been complete by the desire for the travel in people. Identification of markets like that of the product is

crucial for any organization, which adopts the marketing concept. In fact, the first step a marketing organization will have to take is to identify its markets.

Today marketing tourism is our prime concern, for the majority of travel and tour operator in Nepal, the promotion has become a marketing gimmick. Most of the tourist operators in Nepal are using traditional way of marketing. However, there are significant gap between traditional and hi-tech way of doing marketing through internet. Though government and travel related association is taking lots of concern in promotion tourism. But private sector have majority of share in Nepal Tourism Industry. So, initiation should come from these private institutions to promote tourism in Nepal.

A new and extremely powerful tool that can be used to remain competitive and successful in the world of tourism marketing is the internet. The internet's potential is so great that some have described it as a "Marketing Bonanza". The internet is a means of communication that allows data transfer between computers. Originally designed as a military communications tools. The most common use of the internet are currently e-mail being 75% of all internet usage and the World Wide Web (WWW) at 25%.

E-mail can be most easily compared to telex. Now, more or less outdated in the west, with the exception of a few specific industries. A letter or notes is typed on a keyboard and sent through the modem down the telephone line to a computer where it can be retrieved by the intended recipient.

The World Wide Web is a means of filing computer generated data, text and graphics. Web sites are viewed using web browsers, software programs resident on the user's computer. A website may be compare to a magazine on one's computer. The number of web sites on the internet runs into the million and is growing daily. Web sites cover just about every interest available to mankind. Unless access is restricted to certain sites, as in some countries, internet users can access all information available on the internet. The WWW can thus be seen as a combination of yellow pages, encyclopedias, dictionaries trade directories land just about anything else that can be published.

Internet users worldwide, search the internet for information. Potential tourists can use the net to research destinations this is appealing for both independent travelers and those

wishing to travel with a group tour. Operators based in destinations as well as Home Countries can advertise their products on the internet and take bookings directly from customers. Hotel and airlines can use sophisticated databases to allow customers to make bookings directly online and take payments by credit card.

For success in tourism promotion, Nepal tour operators and hotels need to get connected to the internet and work towards better communication with potential customers around the world. Operators need to establish websites with professional web producers. This method of doing business does require change and training. Having an internet account does not necessarily mean that operators will maximize the potential of this new medium, not using an internet account properly is often worse than not having one at all. It is at the convergence of tourism, marketing and the internet (i.e. e-marketing), that thesis emerges. In Nepal, only handful travel related agencies have marketed their services through internet in systematic manner.

Specifically, the purpose of my thesis is to review the form and function of internet-based tourism marketing (i.e. e-marketing) to investigate its role and impact of Nepal Tourism Industry.

As applied to the tourism industry, the most important function of marketing is to bring about an awareness of the product and services in the minds of consumers in the market areas. This is done by the way of promotion. Tourism promotion is one of the elements of the marketing mix and an important tool for marketing. The term promotion is interpreted and defines in many ways. Basically, purpose of promotion is to inform, to persuade, to encourage or, more specifically, to influence the potential customer. Like in any other industry, successful marketing in tourism cannot rely only on a product of the right kind, on a market related pricing polity an on a reliable and effective distribution network. Thus promoting tourism internationally involves great amount of money. Individual travel agency in Nepal cannot afford to spend such amount of money in promotion but there is alternative, simple and cost effective solution i.e. promote your company image through internet.

The World Wide Web (WWW) is the fastest growing marketplace. And power of internet can't be ignored. E-marketing can reduce your marketing costs dramatically. The best free

marketing tool invented ever email. Due to the awareness of internet marketing (i.e. E-marketing), Existence of website doesn't mean you will gel customer all depends on the effective promotion. The starting point in formulating an effective internet marketing strategy is to identify the needs of customers who will visit the web site. The content of the site should be structured such that the needs of various visitors are given first priority. In short, site content and structure should match visitor needs and abilities. Taking all those considerations in mind, this research will focus on finding out the e-marketing role and impact in tourism sector by travel agencies in Nepal.

This research will be valuable for those involved with, or interested in the tourism industry, tourism marketing and internet marketing. Furthermore, as the literature on internet tourism marketing is limited, this research will be beneficial for those studying or practicing in this area. I also believe this literature will be of social significance, as hopefully it will promote user-friendly design of tourism. By learning and applying the guidelines for effective tourism marketing on the internet, Nepalese travel agencies will be better prepared to face the marketing challenges of the future.

Keeping all those advantages in mind development to tourisms, travel agencies must follow effective modern marketing producer to promote tourism industry. Still tourism industry in Nepal is bright if the current political crisis is settled and if effective marketing methods are undertaken. Given this background, this paper attempts to shed some light on the e-marketing prospects practiced in tourism sector by travel agencies in Nepal and how travel agencies can helps future tourism development in the country through effective hi-tech method of marketing.

1.2 Statement of the Problem

At the present Nepalese tourism, industry surrounded my numerous problems. Beside these environmental problems, there is lot of other problems regarding E-marketing phenomena, which are summarized below.

) Over the past few years, Nepalese tourism Industry seems to be in the doldrums due to political crises in the country. Several problems due to Indo-Nepal crisis added flipped to the problem, especially when an Indian Airline Plane was hijacked in December 1999 and Hritik Roshan episode took place in December 2000. At present

Maoist problem and instability of government. These are the environment problem that had been demoralized the tour operator in Nepal.

⟩ Above all these problems, due to unaware of World Wide Web and E-marketing power, still travel agencies are not taking advantage of Hi-tech way of doing marketing.

⟩ Most of the people are not conscious about internet as marketing tool.

⟩ Major cities like Kathmandu, Pokhara travel and trekking agencies do have websites but existent of website does not mean that customer will come. They have misconception about website and marketing the website

⟩ The success of the tourism industry has been due in large part to the efforts of individual tourism proprietors so individual travel agencies should initiate to promote its services and product by themselves through website but lack of ignorance regarding marketing in interest unable them do so.

⟩ For the majority of tourist operators in Nepal, the promotion has been a marketing gimmick. Most of them are using traditional way of marketing.

⟩ Nepal's tourism marketing is traditionally mistreated. Our marketing so far has been such that tourism here has become a seasonal business, that is the period between October and April is projected as ideal for visiting Nepal.

1.3 Objective of the study

Any study is carried out with a definite objective; similarly, this study also has its own objectives. From the topic, Role and Impact of E-marketing on Tourism Sector Practiced by Travel Agencies of Nepal the objective of thesis can be assumed. So, the basics objective of the study is to explore the Role and Value through E-marketing in Nepal.

It is difficult for any organizations to share its promotional practices in tourism sector because it is an important aspect to survive in the market. Being E-marketing regarded as a new promotional tools, the objective sounds difficult. However, in this study it has tried to

explore the current hi-tech method of marketing trends among travel agencies in creating a desirable and realistic image if tourism in Nepal.

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The objectives of the study are enumerated as follows:

⟩ To find and examine Travel Agencies perception regarding E- marketing.

⟩ To find out popularity of internet as marketing tools among Travel Agencies.

⟩ To find out the internet base tourism marketing and its significance in the tourism industry.

1.4 Focus of the study

The main purpose of this is to explore the hi-tech method of marketing practices done by of travel agencies and institution to promote the tourism in Nepal. It is at the convergence of tourism, marketing and the internet that this research emerges. Specially, the purpose of my research is to review the form and function of electronic marketing, to investigate the e-marketing prospects of tourism in Nepal, and to suggest guidelines for the future promotion methods.

This research will focus on the facts and figure of current market of tourism and how the travel agencies are marketing tourism destinations through internet. Marketing (specifically marketing positioning) involves the creating of an image of the product or services, in the case, the tourism destination or, more generally place. Central to may research is the belief that no matter how good tourism destination, how low the price nothing will be effective if good marketing methods are not implemented. However, there is a fine line between traditional promoting the destination and hi-tech promotion thorough internet. Bad marketing methods can lead to tourist disappointment and dissatisfaction, loss of repeat

business, bad "Word of mouth" adverting, and a poor reputation. Accordingly, the researcher will help to answer the following terms:

⟩ The current e-marketing prospect practiced in tourism sector by travel agencies in Nepal and their perception regarding e marketing.

⟩ To suggest, how we can uplift the declining trend of tourism through internet in Nepal.

⟩ To make suggestions for future marketing efforts.

This study deals with promotion in tourism, with a focus on electronic marketing. The objectives of the study was to find out the e-marketing prospects practiced in tourism sector by the travel agencies in Nepal and the importance of the internet for promoting tourism destinations. The study results can be made use of by tour operators wishing to promote their destinations abroad.

1.5 Limitation of the Study

This research will be tried to carry our without a stain of errors. But it isn't a fact in reality because some errors may occur during the study. Almost all the research works are based on samples, therefore sometimes sample may not present population. Every researcher tries to do error free study is not an exception.

Before starting the research, following errors can be expected. It is tried to overcome the shortcoming in this study. However, following limitations can be considered.

⟩ Travel agencies may not want to share the E-Marketing promotional strategies with outsiders.

⟩ It is not possible to collect data from entire tourism industry so it may not be proper output to find out the perception of E-marketing among travel agent.

⟩ Tourism industry includes many industries like Hotels, Restaurants, Transports, Airlines, and Trekking Agencies etc. So this research does not represent the data form whole tourism industry.

) Study area is small and oriented to Kathmandu Valley only.

1.6 Organization of the study

This research document is organized in to five chapters:

Chapter one consist of short introduction of Nepal and development history of tourism in Nepal, problem identification significance of the study and objectives of the study with research methodology.

Chapter two provides extensive research reviews, which includes concept of tourism E-marketing, reviews of books, journals articles that describes about tourism and tourism marketing with special reference to Nepal.

Chapter three deals with research methodology, tools and techniques used to analyze and interpret the findings. The study is based on primary data and it would be supported by secondary data.

Similarly, chapter four is about the analysis and presentation of the findings on the basis of primary data that were taken from various sources.

The last part, chapter five provides summary of the whole research work, recommendation developed based on the major findings and the conclusion.

CHAPTER-II
LITERATURE REVIEW

2.1 Conceptual Review

Concept of Tourism

The word 'Tourism' is related to 'Tour', which is derived from a Latin, word 'Tornos'. Tornos means a tool for describing a circle or turners wheel. This is a word of compass or rather a pin at the end of the stretched string used to describe a circle. It is from this word 'Tornos' that notion of the 'round tour' or a 'package tour' has come which is a very of the essence of tourism. It was late as 1643 the term was first used in the scene of going round or travelling from places around an excursion, a journey including visiting a number of places in circuit or sequence, circuitous journey, embralixy the principles of a country or region (Negi, 1990:21).

Prior to the advent of the industrial revolution, travel was primarily related to the trade, the desire for military conquest or the performance of group rites. It was principally the traders, in the early historical period, who blared the trial by establishing national trade routes and communications which later extended throughout the region and finally to other continents. Thus, it was trade that first motivated travel in the real sense (Tewari, 1994:1). Later, the advent of modern means of transport and communications has uplifted tourism by facilitating and encouraging traveling. This developed form of traveling in modern terminology is known as 'tourism' today. National Committee on Tourism, India defined it as, "The new phenomenon of traveling in pursuit of leisure, culture and the quest for knowledge about alien lands con notes the concept of tourism, the growth of tourism is closely related to the ease of travel economic growth and political development (Mohanty, 1992:46). Tourism grows gradually over the years as easier and faster means of travel became available. Mass tourism started in Europe only in late 19th century but today it is a worldwide reality, "Today tourism revolution is sweeping the global, a revolution promising much and delivering a great deal. It has emerged as the most lucrative business of the world, having tremendous potentially for earning foreign exchange, yielding tax revenue,

promoting growth of ancillary industries, generating income and employment and in the development of industrially backward region through its various linkage effects" (Singh, 1975).

Definition of tourism

Tourism has been defined in different ways by various and concerned organizations and yet is not universally accepted definition of tourism. Herman V. Schullaid, an Australian economist gave one of the earliest definitions of tourism in 1910. According to Schullaid, tourism is "the sum total of the operators, mainly of an economic nature, which directly relates to the entry, stay and movement of foreigners inside and outside or certain, city or region" (Satyal, 1988).

R. de Meyer has defined tourism as, "A collective term for human movement and its attendant activities caused by the exteriorizations and fulfillment of the desire to escape that it more or less latent in everybody" (Chatt Upadhyay, 1995:7). This definition received the first prize by Academic International de Tourism at Monte Carlo in 1952. However, this definition of tourism given by the Swiss professors Waiter Hunziker and Kute Krapf, in 1942, is more phenomenon arising from the travel and stay does not imply the establishment of permanent residence and is not connected with a remunerated activity" (Bhatia, 1994:38).

The tourism society in Britain had also attempted classify the concept and it 1976 defined tourism as: "Tourism is the temporary short-term movement of the people to destinations outside the places where they normally live and work and their activities during the stay at these destinations; it includes movement for all purpose, as well as day visits or excursions" (Bhatia, 1994:38).

The most widely used and popular definitions is one prepared by the United Nations conference on International Travel and Tourism held in Rome in 1963. This definition was recommended by the International Union of Official Travel Organizations (IUOTO) in 1908. Again, in 1993, the United Nations Statistical Commission adopted Rome definitions of tourism in revised form prepared by World Tourism Organization (WTO) a follow up to the Ottawa International Conference on Travel and Tourism Statistics, jointly organized by WTO and the Government of Canada in June 1991. In this definitions WTO has developed a

schematic breakdown of all travelers. A traveler is defined as "any person on a trip between two or more or more localities within his/her country of usual residence" (WTO, Framework for the collection and publication of Tourism Statistics: 4).

An Australian economist Herman von schellard, in the year book of national Economy and Statistics 1990, gave the first definitions of tourism. He defined tourism "the sum total of operators mainly of an economic nature which directly related to the entry, stay and movement of foreigners inside and outside a certain country, city and region" (Batra, 1990:1). The League of Nations defined in 1937 the term foreign tourist as; "Any person visiting a country, other than that in which he usually resides for a period of at least 24 hours."

But revised definitions given at the UN conference on International Travel and Tourism, held in Rome in 1965 which described as: "Any person visiting a country other than that in which he has his usual place of residence, for any region other than following an occupation from within the country visited. The most popular and widely acceptable definition of tourism given by the World Tourism Organizations (WTO) conference in Ottawa in 1991 is; "The activities of a person travelling to a place outside his/her environment for that a specified period of time and whose main purpose of travel is other than the exercise of an activity remunerated from within the place visited."

Tourism is perceived as an economic activity, which accrues to the recipient countries a definite source of foreign exchange and national income, creates jobs to reduce unemployment, fosters entrepreneurship, stimulates productions of food and local handicrafts, speeds of communications facilities, cultural exchanges and above all, contributes to a better understandings of the host country. Some of principal changing dimensions of the vast expanding tourist industry are bringing into sharper focus the global concern over the cultural, ecological, environment, socio-economic and political effects of tourism (Motiram, 2003:1).

2.1.1 Tourism Marketing

In the present day context marketing has become one of the important as well as challenging jobs of any business organization. For the success of any business activities proper

marketing system is needed. Marketing denotes the business activities that direct the flow of goods and services from producers to the consumers or users in other words it is the process of exchange between seller and buyer.

In the view of Drucker (1976), the aim of marketing is to know and understand the customers so well that the product or service fits and sells itself. According to the British Institute of marketing, "Marketing is the management functions which organizes and directs all those business activities involved in assessing and converting customers purchasing power into effective demand for a specific product or service to the final customer or user so as to achieve the profit target or other objectives set by the company" (Bhatia, 1994: 139). Similarly Eugene j. Kelly has defined marketing as "a business discipline, marketing consists of systematic study of the demand generating or consumer motivating forces, the temporal and spatial considerations influencing economic transactions, and the interacting efforts and responses of buyers and sellers in a market" (Bhatia, 1994: 140).

According to the American Marketing Associations, "Marketing is the process of planning and executing the conceptions, pricing, promotions and distributions of ideas, goods and services to create exchanges that satisfy individual and organizational objectives" (Bennet, 1988: 115). Today, in the field of marketing, more priority is given to know the desire of customers and to satisfy them. The present concept calls for a customer orientation backed by integrated marketing aimed at generating customer satisfaction and long run consumer welfare as the key to attaining success (Kotler, 1972: 46-54).

The challenge of marketing goes the success of business. It must also serve the goals of society. It must act in concert with broad public interest. For marketing does not end with the buy-sell transactions – its responsibilities extend well beyond making profits. Marketing shares in the problems and goals of society and its contributions extended well beyond the formal boundaries of the firm (Lazer, 1978: 1).

Tourism being the fastest growing and most competitive industry in the world it should be marketed properly. "Tourism needs to be marketed, just as any other product, indeed move so, because it is an industry in which the customer still has an immense variety of choice. There are a number of destinations competing with each other to get a bigger and bigger

share of the market" (Bhatia, 1994: 137). Hence, tourism marketing is regarded as a central point of whole tourism activities. Today all direct and indirect promotional activities to sell destinations are related to tourism marketing and it effects al the operations of tourism (Negi, 1990: 387).

Tourism marketing is defined as the "systematic and co-ordinate efforts exerted by the National Tourists Organizations and/or the tourist enterprises at international, national and local levels to optimize the satisfactions of tourists, groups and individuals, in view of the sustained tourism growth" (Bhatia, 1994: 142). According to Krippendorf (1971: 46) "Marketing and tourism is to be understood as a systematic and coordinated execution of business policy by tourist undertakings whether private or state owned, at local, regional, national or international level to achieve the optimum satisfaction of needs of identifiable consumer groups and in doing so to achieve an appropriate return." Hence, tourism marketing denoted the development of a tourism product to meet the need of the tourists and then employing the techniques of direct sales, publicity and advertising to bring this product to the tourists (Bhatia, 1994: 142).

There is a need of tourism marketing with proper planning and sound policies. "Its complexity lies in the fact that tourism promotion in its various forms has to be directed at large number of people in various lands of different socio-economic structures, having different needs, tastes, attitudes, expectations and behavior pattern. It is only through the efficient marketing strategy that will help to understand people's tastes and preference for travel. And hence need for marketing in tourism" (Bhatia, 1994: 141). However, tourism industry does not seem to apply marketing approach for its promotion and development adequately (Anand and Bajracharya, 1985: 1).

Because of the competitive global scenario and the ever-expanding tourism industry, the marketing of the tourism products need greater attention. There are countless tourist destinations world-wide and to develop tourism, every country tries to capitalize on its cultural, religious and natural heritage in addition to the various forms of entertainment package. But only those countries, which have devised aggressive marketing strategy, have been able to attract great number of tourists. Thus, tourism being a high publicity product effective marketing is a must for the successful running of tourism industry.

Adequate budget, financial and technological resources are needed for effective tourism marketing. But, "we understand very limited marketing activities while other countries with more resources are spending huge amount of money on aggressive marketing of their destination (Pokherel, 1995: 24). In this regard, Hotel Associations of Nepal President Yogendra Shakya commented saying "we have alone practically nothing as far as promotion is concerned. The Ministry of Tourism has no budget for promotion" (Spotlight, 1997). Government also should take necessary initiative for the publicity of tourism board. In Nepal, even one five star rated hotel spend Rs 30 million annually for the publicity at international due to the lack of budget. Government is not able to make sufficient publicity even in visit Nepal year also (Aajako Samacharpatra, 1997). "We have achieved 'word of mouth' publicity in Europe and India both by travelers as well as tour operators. As the government budget is not large enough to tackle all markets, especially since we are trying to carry consumer oriented marketing. I suggest we concentrate on FAM tours for tour and travel operators and travel trade journalist from Japan. Luring film and TV producers should be our strategy for inexpensive but wide publicity" (Shakya, 1995).

The Lacunae in promotional efforts in Nepal is further indicated by the fact that "the expenditure made in publicity is too poor and not more effective in both quality and quantity. The Ministry of Tourism published brochures and booklets about tourism only in few languages and that also in limited copies. There is lack of advertisement in the foreign papers; in such a situation most of the visitors are unknown about Nepal" (Shrestha, 1981: 65).

"Nepal lacks the most essential market information focused on its products, while the most irrelevant material is produced at considerable cost and dubious impact. Fair participation, in the absence of proper information material to flow up interest, poorly staged as it often is, appears less than effective and probably a waste of money. At the same time, there is an urgent need for Nepal to work against increasingly critical world media coverage on ill effects especially on mountain tourism. By inciting journalists, Nepal should convey the fact that it is taking serious steps towards improving matters, but needs help to do so" (Ministry of Tourism, 1984: 102).

It is interesting to note the comment about the situation of Nepalese tourism marketing made by Shakya (Spotlight, 1994). According to him, "Nepalese tourism has been marketed mainly through travel agents and tour operators abroad. We have never able to go to the consumer. It is simply beyond our reach to advertise in, say Newsweek, which could take our entire promotional fund. There is also a growing trend of undercutting. If we have US $100 as the rack rate, we give as much as 50 percent to the tour operators. That has been our marketing strategy because we depend so much on tour operators."

Another serious challenge faced by tourism sectors is the level of competition because it is very competitive business. Here it will be interesting to quote the slaying of (Alwis, 1997: 8) "my friend in the travel industry in Nepal, talk of the glorious days, barely a decade ago, when a trekking tour was sold to visitors for US $ 80 per day on the average. They now lament, that it is sold for only US $ 18 per day on the average." In the view of Alwis, "this certainty is not the result of the lack of demand for Nepal's unique tourism potential or a lack of adequate number of 'up market' visitors out there in the market place.

It is in the opinion of most of the result of unhealthy competition between the travel agents, the hoteliers, the tour operators (trekking, rafting and other), the protections of the sky and the like. They also claim that it is the lack of specializations, lack of product quality improvement, diversification of product and inadequate delivery of quality service." In this respect "the government of Nepal should have clear policy to discourage cut-throat competition in the hotel industry and thereby attract quality tourists" (Sandhu, 1996: 36). Moreover, many Americans and Europeans complain about the pollution and environmental degradation of Kathmandu. Due to this Kathmandu is sending wrong message about Nepal. We should try our best to solve the problems of pollution and environment (Sandhu, 1996: 35). "Negative reports on Kathmandu have adversely affected the tourism industry and Nepal's image" (Choegyal, 1994; 28).

Regarding negative reporting done by some national and international media certainly it has done a lot of harms in the tourism sector of Nepal. For this, a planned approach is needed to counter the negative effects and organizing large scale promotional campaigns could regain our lost reputation (Rajbhandari, 1994: 26). In the context of Mishra says "Say Goodbye to Shangri-La" was published in Newsweek of 4th October 1993 issue. It has definitely affected

the tourism especially qualitative tourist. However, in my opinion, the correct information about Kathmandu Valley came in time and we should take it in a positive way instead of being defensive. Had it not published in such a renowned journal, it would not have been grave concern to all conscious people of Nepal and abroad." (Mishra, 1994: 24).

Air accessibility is also a hurdle in Nepal. Sthapit expressed "We need to take concrete steps with respect to tourism marketing in order to boost arrivals. But there is problem of air seat capacity" (Sthapit, 1996: 31). Also has similar view in this respect. He says, "This is the one really single major problem. RNAC has limited number of aircrafts and the tour operators have to face the problems of air seat. Nepal should allow more international airlines to come to Nepal and encourage the national carrier to complete internationally. It would give new thrust for the tourism development of this country, generate employment and increase the number of tourist arrival" (Sandhu, 1996: 35).

For the promotion of quality tourism in the country, infrastructure and services should be improved properly (Sandhu, 1996: 13). "For most countries, including Nepal, one of the most essential conditions for the successful promotion and development of tourism is the existence of adequate infrastructure and qualified human resources" (Frangialli, 1996: 13).

Alwis (1997: 8) says, "All good marketing begins with the customers and ends with the customers. All good tourism marketing therefore, should begin with the visitor (tourist) and see through to the end, that we have met all reasonable expectations of the visitor. We must ensure that he or she returns with as much as a positive feelings as possible, about Nepal and its people." In fact, the good image and memories of tourists are more beneficial for the country that the promotional activities like, international advertisement, brochures, newspaper article etc. So far, Nepal is concerned as a tourist destination, it offers a unique product and unparalleled opportunities for marketers who want to take on the challenge. It just means that both Nepalese operators and their partners in Asia need to work harder and be innovative if they are to achieve yields that Nepal's tourism operations deserve (Alwis, 1996: 29). For Nepal "USA, Australia and the Pacific and other European countries, especially the Scandinavian countries- are very potential future markets. South East Asia is emerging to be an economic giant. But as our marketing resources are not so big, we have to select only a few countries" (Shakya, 1995: 38).

"While formulating the tourism strategy, it is essential that our tourism marketers keep abreast the fast changing trends, particularly the changing trends in tourism market. Tourism marketers should be quick to respond the changing economic scenario in the world" (Shrestha, 1995: 85). Similarly, "An integrated approach, with the twin objectives of environmental protection and sustainable economic development, should be based on an appreciation of the broader implication of tourism for the environmental, demographic, economic and distributional concerns in mountain eco-systems" (Sharma, 1992: 112). Hence, development of tourism of Nepal should take into account promotional and marketing issues as well as deal with the inherent problems and challenges.

2.2 Introductions of Nepal Tourism Board (NTB)

The Tourism development history of Nepal is very short. Before the drawn of democracy in 1951 AD, the rulers of Nepal had not made any attempt to develop tourism in Nepal. On the contrary the policy of the government was not let tourist enter into Nepal except on some special cases. Similarly, efforts to earn foreign exchange earnings to accelerate development through tourism and national economy. In actual sense, the promotion of tourism started more or less only in the beginning of 1960s. The then government of Nepal made attempt to the development of tourism with liberal tourism policy relatively than there before.

After 1990, viewing the globalizing context of the world, Nepal government also started to lunch different policies and programs related to tourism. In 1995, an independent "Tourism Policy" was announced and in 1998 'visit Nepal year-1998' campaign was conducted. In such scenario thinking the public-private partnership for the tourism development, Nepal Tourism Board (NTB) has been set up on the date of 31 December 1998 as a national tourism institution under the act of parliament (NTB Highlights, 2003). The board is providing platform for vision drawn leadership for Nepal's tourism section by integrating government commitment with the dynamism of private sector tourism industries.

NTB is promoting tourism in the domestic and international market and is working towards repositioning the image of the country. It aims to regulate product development activities in future. Fund for NTB is collected in the form of tourist service fee from departing foreigner passengers at the Tribhuvan International Airport (TIA) keeping it financially independent.

The Board being a statutory institution has statutory duties assigned to it. Nepal government has also established a defined funding mechanism to finance the promotional efforts of the board. The Board is establishing to work as a professional and dynamic NTO to address the pressing need by designing specific brand image for Nepal as a travel destination and support the same by self-sustained promotional campaigns. The new tourism brand i.e. marketing slogan of Nepal is "Unleash yourself Naturally Nepal, once is not enough."

2.2.1 Objectives of NTB

As an independent body related to tourism NTB has some objectives to develop and promote tourism in Nepal. Out of the many responsibilities entrusted to NTB, the primary objectives of this institution is to market Nepal as a premier holiday destination in the International market and also to upgrade the quality of tourism products and resources at par with the accepted international standard, which of course is one of the daunting tasks.

The Nepal tourism Board Act, 2053 has set up its objectives as following.

- ➢ To introduce Nepal in the international arena by developing it as a fascinating tourist destination.
- ➢ To develop, expand and promote tourism business whilst protecting and promoting natural and cultural heritage and environment of the country.
- ➢ To create maximum employment opportunities by increasing national production and foreign currency earning through the development, expansion and promotion of tourism.
- ➢ To establish Nepal's image in a high and designated way in the international tourism community by developing Nepal as a safe, reliable and attractive tourist destination.
- ➢ To conduct or cause to be conduct functional research as per necessary for finding out ways to solve problems encountered in tourism sector so as to provide qualitative services to the tourist.
- ➢ To assist in establishing and developing institution necessary for tourism development.

2.2.2 Roles and Responsibilities of Nepal Tourism Board

NTB has been established with a mission to maximize the benefits of tourism by promoting Nepal as a premier holiday destination with a definite brand image. To make the, mission fruitful, NTB has assigned some roles and responsibilities by the NTB act 2053 as mentioned below:

➢ To develop and introduce Nepal as an attractive tourist destination in the international marketplace.

➢ To promote the tourism industry in the country while working for the conservation of natural, environmental and cultural resources.

➢ To work towards increasing the gross domestic product and foreign exchange income by the means of promoting the tourism industry. To work towards increasing employment opportunities in the same industry.

➢ To develop Nepal as a secure, dependable as well as attractive travel destination by establishing a respectable image of Nepal in international travel trade community.

➢ To work towards providing quality, service to the tourist visiting Nepal.

➢ To study the bottlenecks against the same by means of conducting research in order to do away with these bottlenecks.

➢ To promote and develop institutions for the promotion of tourism industry.

2.2.3 Organizational Structure of NTB

As the NTB has been established to develop tourism with private force, its executive committee members also consists from government as well as private sector. To executive committee comprises of 11 members, 5 members representing the Nepal government, 5 members representing the private sector and chief executive officer (CEO) of the Board as the member secretary of the executive committee. The executive committee has been formed to systematically executive and causes to be executing necessary programs and to take care of and manage all the activities of the Board for achieving its objectives.

The committee consisting chairperson from government and vice-chairman from private sector/tourism entrepreneurs have following members:

- ➢ Secretary, ministry of tourism and civil aviation –chairperson.
- ➢ A member selected by the Board members from among the members nominated by private sector – vice chairman
- ➢ Joint secretary, ministry of finance – member
- ➢ Director General, Department of Immigration – member
- ➢ One officer, at least of graduated first class nominated by Nepal government from among other ministers related with tourism development – member
- ➢ Director General, Civil Aviation Authority of Nepal – member
- ➢ Five Individuals nominated by Nepal government among the tourism entrepreneurs involved in tourism promotion activities and from among the experts on tourism, natural and cultural heritage – member
- ➢ Chief executive officer – member.

2.3 Marketing on the Internet

The internet has traditionally been for research and communications, and this may explain the reluctant of people to accept it as a market place (Resnick &Taylor, 1994: xxvii). Nevertheless, this is changing and wise use of the internet for marketing will help tourism destinations remain competitive in the rapidly evolving tourism industry. As Poon (1993:89) state, "in a constantly changing travel environment, innovation becomes an indispensable tool for survival."

The internet's role in a marketing strategy is new, and rapidly evolving. Initially, much of the literature concerning marketing on the internet was actually focused on advertising and selling on the Internet (see Resnick & Taylor, 1994, Gonyea & Gonyea, 1996), rather than using the internet throughout the entire marketing process. This concern is raised by Bicker ton et al (1996). However, this trend is changing as an abundance of books focusing on the integration of the internet in to the overall marketing plan has been published recently (see Hanson, 1999, Zeff &Aronson, 1999; Sterne, 2001; Wilson, 2001, Zimmerman, 2001).

Marketing on the internet is "affordable, dynamic and wide-reaching." It is an incredibly powerful communications and research tool, which can help the marketer effectively perform traditional marketing duties such as conducting marketing research, examining

competitors, forecasting and advertising. However, it has some special attributes that must be taken into account.

E-marketing is marketing that utilizes the medium of the internet. There are of course far more elaborate definitions, but that's it in a nutshell. If that's too brief for you, here's a good down-to-earth definition Cisco give on their website: "E-marketing is a general term for wide array of activities – advertising, customer communications, branding and relationship-building efforts, loyalty and retention programs, and more – all conducted over the internet. Much more than creating a website, e-marketing focuses more on communicating on line using a customer directed dialogue with your company to find new prospectus, increasing loyalty and making it easier for your customer to do business with you. In short, we define e-marketing all the things your business does on line to find attract, win, and keep customers." Whatever definition you use, the fundamental principles of marketing still apply to e-marketing.

Naturally, there are differences from mainstream marketing, which relies on traditional media. Key differences are e-Marketing's lower cost, its incredible degree of measurability and most fundamentally, its unique interactive nature (unlike traditional media there is two-way interactions that the target audience controls).The internet, which includes email and the web, has been described as the world is least expensive and most effective marketing tool is why so many businesses have embraced it.

The key is to understand enough so you are aware of the options and marketing benefits the technology can deliver. You no more need to understand the technical intricacies of web hosting, email list servers, search engine algorithms, banner and servers and the like any more than you need to know the in depth technical intricacies of printing or TV commercial production. Focus on what the technology can do for you, rather than the how.

2.4 The Importance of E-Marketing in the Tourism Industry

407.1 million People were estimated to access the internet as at November 2000. This is global figure, which also highlights the fact that the internet is the one medium, which can be used to reach every city and every country over the globe. It means tourism does not just

have to concentrate on traditional marketing method-nothing is impossible. If travel agencies have a web site, this in itself means it is accessible by the global market and it is a vital that this business take advantage of this. The only way to market globally is via the internet, and it is important that the promotion (such as through magazines, radio and local promotions) cannot gain the site remotely as much traffic as marketing on the internet can. If done correctly, the sky can be the limit.

The tourism industry encompasses many businesses, such as accommodations, attractions, transportation, and restaurants, each of which may undertake marketing efforts. That is, there are different scales at which marketing can occur, from large-scale marketing of individual business or attractions (such as cultural tour operator, adventure tour, eco-tourism business), to small-scale marketing of services through internet and destination regions, because it is at the regional, or community, level that "successful tourism is likely to take place" (Health and Wall, 1992:6) and at which "most of the impacts of tourism, both positive and negative, occur" (Murphy, 1983, in Health &Wall, 1992:6).

Tourism is largest industry in the world. It is a very competitive industry with a highly volatile product. Destinations in vogue today often are out of fashion tomorrow. E-marketing is one of the main ways for services or destinations to inform and entice potential tourists and to gain competitive advantage. However, many service industries such as tourism have traditionally used marketing less than manufacturing firms, as they felt it was too expensive, time-consuming, unnecessary, and unprofessional (Kotler et al:1996), relying primarily on an established reputation attract business. And there are still those who consider marketing unprofessional, particularly within area of advertising. Such detractors hold on the belief that marketers will do anything to sell their products or services, with their number one goal being the market of a "quick buck." They are seen as having a complete lack of respect for customers' opinions, desires and intellects, and the environment or society as a whole. But this is an unfair view of many of today's marketers, because in a true marketing philosophy, customer satisfaction is key.

Some have noted that e-marketing also can be used to protect the environment, improve quality of life, and help society as a whole. E-Marketers can be use demand management to increase, decrease, or shift demand for a product or service either temporarily or

permanently. In the case of tourism, e-marketing can be particularly useful, as it can be used to even-out demand (i.e.. increase off-season visits, and limit high-season visits, thus reducing congestion, crowding and environmental impacts), to restricts access to sensitive areas. Travel agencies that adopt a modern marketing philosophy "that focuses on the satisfaction of tourist needs and wants while respecting the long-term interests in the community" (Mill & Morrison, 1985:360) will benefit not only themselves, but consumers the environment, and society. This is corroborated by Poon (1993:7) who believes that "New tourism can play a leading role in providing and promoting more sustain table patterns of development and in saving Planet Earth." Thus, tourism marketing can and could assume an important role in education and conservation, because in the tourism industry, there is much more to gain (or lose) than just profits.

In these days of increased amounts of leisure time, higher standards of living, greater quality of life, higher expectations, and increasing choices (at least in so-called "developed countries". Travel Agencies must work harder to provide tourist satisfaction and to ensure they obtain and retain share of the market. But, Travel Agencies should be sensitive to the new/high-tech way of doing marketing. They must realize that internet does have a sizeable impact on the global. Due to the rapidly changing worldwide tourist trends, business principles and related socio-economic circumstances, is essential for any new or established tourism business to constantly revisit its product offering and target markets.

E-marketing allows to find new markets, redefine existing markets and to apply the appropriate strategies to ensure that market share is increased and sustained. The internet has provided tourism marketing with many new tools and given old tools new or improved meanings. "Because the World Wide Web presents a fundamentally different environment for e-marketing activities than traditional media, conventional marketing activities are being transformed, as they are often difficult to implement in present form. This means that in many cases, these marketing activities have to be reconstructed in forms more appropriate for the new medium." The E-marketing medium changes tourism marketing so much that a new set of concepts need to be adopted or old ones to be up-dated so that a better match between these concepts and unique qualities of the new medium is attained. The new medium has bought about new tones to old marketing ideas and concepts and at the same

time room for completely new typologies and terms has opened. Adoption of a marketing philosophy is the key to success, and tourism marketers that adopt the E-marketing concept will be better off in the future, a consumers are becoming more and concerned about choosing products and services.

2.5 Review of Previous Studies

2.5.1 Review of Article

There was no plan and policy regarding tourism in Nepal till 1950s. For the first time the written study on tourism was made on the late 1950s. In Nepal, "General plan for the Organization of Tourism in Nepal" prepared by French national George Lebrec, in 1959, was the first tourism plan, which was prepared by the help of French Government. In this plan, Lebrec has recommended to make brochures, posters, postage stamps depicting the Himalayan peaks and Flora and Fauna and to use of films and documentaries prepared by the mountaineering expedition for promoting tourism in Nepal and the establishment of separate Nepal Tourism Officers. Later, George Lebrec visited Nepal in 1964 and 1966 and prepared two reports on tourism entitled "Report on the Development of Tourism" and "Report on Tourism in Nepal" respectively. In these reports, Lebrec had recommended that tourism in Nepal had started growing at a faster pace.

In 1972, with an aim to run tourism in a planned way and formulating policy the Nepal Tourism Master Plan (1972), a detailed and comprehensive document about Nepalese tourism, was prepared with a joint co-operation of Bundesstelle Fur Entwicklungshilfe of Germany and Nepal Government of Nepal. This Master Plan defined the tourism development programs and projects for ten years. The plan defined the tourism development programs to be adopted and the market segments of Nepalese tourism were identified as organized sightseeing, independent "Nepal style" tourism, trekking and pilgrimage. The primary markets for Nepal were identified as USA, France, Scandinavia and Australia as secondary target market. In the Master Plan Kathmandu was seen as continuing to be the principal centre of tourism activities in Nepal and to lengthen the average length of stay, tourists measures can be done by creating resort areas and the provision of recreational attractions suited to the needs of international tourism and opening up the country's attractions suited to the needs of international tourism and opening up the country's

attractions by round tours operated from Kathmandu with intermediate stops and short stays in selected sites. Furthermore, the plan has emphasized for development outside Kathmandu such as the development of Pokhara, Chitwan, National Park, development of national parks at Langtang, Annapurna and Dhaulagiri and Khumbu. The development of pilgrimage centers at Lumbini, Mukhtinath, Barahachettra and Janakpur was also envisaged. The Master Plan had recommended for the establishment of a Ministry of Tourism and Culture of Archaeology, the Department of Culture, the Department of forestry, the Ministry of Foreign Affairs and the Immigration Office.

"Nepal Tourism Marketing Strategy 1976 – 1981" prepared by Joseph-Edward Susnik started with the premises:

➢ As the stay of tourists cannot be prolonged for now, the number of international visitors should be increased substantially.
➢ Image of secondary destinations like Pokhara, Lumbini and Chitwan should be built up.
➢ Nepal should become a gateway for South-East Asia.
➢ Nepal should become the starting point of any Asian tour, as it is the cradle of a religion and culture that influenced the history and life of the major parts of Asia. In his report, Susnik has suggested for the formation of Nepal Tourism Marketing Committee as well as Nepal Tourism Infrastructure Committee with representation of private sector and the Department of Tourism be recognized into Nepal Tourist Office, which should concentrate, on the marketing and promotional activities abroad with independent operational budget.

'National Tourism Promotion Report 1983' was prepared by Nepal Tourism Promotion Committee of 1981. Suggestions were also provided on marketing strategies and plans for tourism. It reemphasized the need for promoting Nepal Style Tourism as mentioned in the Nepal Tourism Master Plan which would include sightseeing, trekking and wildlife adventure and which would promote Nepal as a primary destination. The major suggestions given from this report are to develop resorts in the mid mountains to encourage tourists from India during the hot Indian summer season, promotion in Europe be stepped up, special programs be designated for Buddhist pilgrims from Asian countries and that similar

pilgrimage packages be designated for Hindu pilgrims from India, depute a person in the Embassies of Nepal for promoting tourism, participate in various important trade fairs and to promote convention tourism.

Another report entitled "Study and Recommendation for a Nepal Marketing Plan a Marketing Task Force Report" (1983) prepared by PATA, in 1983, considered to be very effective marketing plan of tourism. The main recommendation mentioned in this report are the establishment of an autonomous Nepal Tourism Promotion Board, to recognize responsibility by the private sector for all overseas sales activity, to engage overseas representation to conduct ongoing promotion and publicity for Nepal and to organize a research section to carry out market research on visitors to Nepal.

'Nepal Tourism Master Plan Review' (1984) is a review study and it has suggested action program for implementation for the promotion of tourism in Nepal. This study contains three parts. In part one, a background to be 1972 Tourism Master Plan, its contents and intents, and its practical use and operation together with a comprehensive review of past developments in key areas of tourism. Part two sets forth an updated set of policy objectives and a market development concept forth e five years and part three provides action-oriented recommendations. According to this review report, there is no need for a new comprehensive master plan in tourism. The 1972 Master Plan is relevant in its long-term policy contents, and most of its basic conceptual assumptions have been fully verified. This study focuses on a pragmatic policy framework essential to solving priority of tourism.

This study observed that active market promotion was the most important factor for the tourism development in Nepal. This study, therefore, suggested to various destinations oriented marketing programs. The major programs include:

- ➢ Developing a systematic concept of promotional material,
- ➢ Determining the quality standard for each individual product,
- ➢ Producing a Travel Agents manual containing comprehensive up to date information regarding tourism in Nepal,
- ➢ Establishing representative offices in Western Europe, USA and Japan,
- ➢ Participating in selected tourism trade fairs,

- ➢ Offering familiarizations tours to agents and journalists,
- ➢ Establishing a Nepali-style tour package,
- ➢ Directing sales to tour operators from the country of origin without middleman from India,
- ➢ Expanding the trekking possibilities.

The conclusion and action-oriented recommendations of this study focused on improving the capability of the Ministry of Tourism to assume to assume its responsibilities in tourism, institutionally, administratively and technically.

Nepal Rastra Bank (1989) carried out an econometric study with an objective to study and estimate the level and patterns of tourist expenditure in Nepal, to estimate the value-added and imports contents and thereby not foreign exchange earnings from tourism sector of Nepal, and to estimate income and employment generation in the tourism sectors of Nepal. In this study, regressions were run on the time-series data as well as cross-sectional data for the period 1974-1987.

The major findings of the study included tourism demand to be income inelastic in dependent variables, tourist expenditure and number of tourists, for the total time-series analysis for the period 1974-1987. Tourist expenditure was found to be highly sensitive with respect to exchange rates, but the sensitivity of tourist arrivals to his variable was less. Country-wise time series regression for 14 countries gave mixed results.

Among tourism sub-sectors (when direct, indirect and induced effects were combined), the ratio of import content for hotel was estimated at 53.45 percent, travel agencies 74.51 percent, trekking agencies 54.04 percent and airlines 67.05 percent. The ratio of direct import content when the indirect and induced effects were taken out was estimated at 35.45 percent for hotels, 15.12 percent for travel agencies, 10.79 percent for trekking agencies and 57.60 percent for airlines. The value added for the tourism sector i.e., total payment to domestic factors including payments to intermediate and final inputs. (When direct, indirect, and induced effects were combined) was estimated at 37.74 percent as compared to 44.66 percent for tourism related sector and 42.82 percent for the overall sector (Nepal Rastra bank, 1989:2).

This study estimated the average per capita per day tourist expenditure (Rs. 742), the average length of tourist stay (9.3 nights), and the employment in the tourism sector. The study suggested liberalizing exchange, emphasizing trekking tourism, doing aggressive marketing, expanding both international and national air services, developing integrated tourism development policy, and establishing a fully-fledged apex body.

T.C. Pokharel (2003), has also prepared a separate review article entitled "*summary of past Marketing Strategies and Plans for Tourism in Nepal"* with description of the studies and seminar reports related to Nepalese tourism marketing encompassing important studies and seminar proceedings with an emphasis on marketing of Nepalese Tourism.

The basic tasks of 'Nepal Tourism Development Programme' (1990) were:

> ➢ To review existing plans and policies and suggest modifications to provide a longer-term strategy for using the countries tourism resources on a sustainable basis, while satisfying on increasing number of visitors;
> ➢ To prepare tourism development action plans which should include, among other things, the development of a commensurate institutional capacity?

'Nepal Tourism Development Programme' consists of four reports. Product development program and marketing strategies have been defined in this study. For both trekking tourism and sightseeing tourism of the strategy is to establish Nepal as a premium product able to command the price of a premium product. The main marketing strategies initiatives for Nepal mentioned in the report were:

> ➢ To establish Mount Everest and the Himalayan as a "must see" attractions for any world tourist;
> ➢ To establish Kathmandu as the unique mystic city within a valley of exceptional scenic appeal;
> ➢ To establish Pokhara as the "Gateway Resort to the Himalayas"
> ➢ To establish and promote a series of outstanding excursions for the ordinary sightseeing travelers.

This study report recommended a number of suggestions regarding institutional change. The main suggestions were:

> ➢ The formulation of a National Tourism Commission;
> ➢ The designation of Tourism Industry Liaison officers in key Ministries and Departments which impinge on tourism;
> ➢ The development of the Department of Tourism as the body of professional tourism expertise within the Ministry of Tourism and the formation of an Eco-Tourism unit.

The report also produced and proposed Tourism Development Program for Nepal foe Asian Development Bank support. The Development Programs proposed in the report are:

> ➢ Domestic Air Transport;
> ➢ Urban Tourism (Kathmandu);
> ➢ Infrastructure in Pokhara;
> ➢ Institutional Development; and
> ➢ Tourism Manpower Development and Training.

Tuladhar (2004), in aim doctoral work, aimed to study the development of International Tourism in Kingdom of Nepal from the view of resources, the level of its explorations, utilizations and possibilities of its improvement. This study has been done against the background of the overall conditions and its development including natural and anthropological resources, economic development of the country, tourists' demands, and tourist supply. To achieve of its objectives of this study, a systematic method of investigation in the theoretical scheme was used. His major findings included the use of dispersion as a basic for the balancing of prognoses may promote foreign visitor's quality and the possibilities for attempt and contribution for the future the development of international tourism in Nepal should work out alternative prognostic situations in unison with the extracted priority of the tourist supply and direction for their improvement. Tuladhar has given various suggestions in this study like to promote charter flights with RNAC by tour operators assuring the low travel cost, increasing expenditure for advertisement and publicity for the stimulation for the tourist travel to Nepal, to provide

more cultural shows and other types of suitable entertainment, to increase the length of stay of tourists and to increase their expenditure, to establish summer resorts like suitable tourist hotels and villas on the banks of lakes and rivers, to develop the national concept and to develop human resources by emphasizing on tourism education.

Upadhaya Dr. R.P.(2005), in his another article headed *"Outlook on development of Nepalese tourism"* published on NTTR, Sept 18-24, 2006, has explained the role of NTB to develop Nepalese tourism as follows:

Since the political situation is changing, NTB should focus more in the promotion of the country, which can only be possible with the help of the stakeholders. Role of government cannot be denied and therefore it is the time for the ministry and the line agencies to take corrective measures. They should be sincere and work towards developing tourism-the only sector with benefits.

Since the main objective of tourism is human welfare and prosperity, the government should promote distributive justice, which can results in mass participation. Government should sincerely work towards the promotion of rural tourism by conducting a high-level national survey and exploring new destinations like Sirubari with receptive capacity and which is easily accessible from the main tourists generating outlets.

At present, Nepal is on media highlights, so this is the right time to cache. NTB instead of going and attending promotional activities in different countries can focus on developing the information technology (IT) section of the board by creating attractive websites with updated news and information on destinations of Nepal.

Similarly, Nepal government is playing the role of facilitator, motivator and regulator since 9th plan (1997-2002). National tourism policy of 1995 has emphasized/assigned the above role of the government. However, due to the following reasons, the role of the government should be an incentive provider too as in to complete with the growing competitors like India, Srilanka, and Maldives, and also to develop and diversity the tourism products by creating new tourism destination and to endure the present critical situation.

He concluded that proper attention will be paid towards the several natural and cultural sites that possess great tourism potential. Sincere efforts are needed to reduce visitor's concentration in Kathmandu and diverse tourism to locations that hold tourism potential. To reduce visitor's concentration in limited areas, the villages in hinterland should be linked with the main trekking routes whenever possible. This can help spread tourism benefits.

The struggle against deep routed corruption is a long-term complicated task where we must constantly ring the alarm. We also must punish corruption and build an honest, clean and healthy tourism industry. Every level of party organization must strength supervision, administration of party cadres by deepening the anti corruption struggle.

Bhandari K. (2006), in his article *"Tourism in the new Millennium"* posted on *'The independent'* has written that Nepal government attaches priority to tourism even though this sector has not been able to receive higher share in government spending due to certain other obligations in basic need areas. A major problem with the Nepalese private sector is that it is small, disorganized and is limited in its capacity to raise resources and invest in the form of equity. The saving/investment rates are low. There is limited exposure to international trends. The culture of state intervention still prevails and is generally accepted.

Similarly, he has added that tourism considered a major component of the Nepalese economy, has so far, been concentrated in a few major locations, and confined to a few major products. We have not able to add more places of interest to the tourist, so he has claimed for need of the future action. His suggestions are:

Despite our immense potentiality, we are unable to exploit the economic benefits proportionate to this, due to poor infrastructure, meager investment and irrational marketing. However, spreading tourism to new places with more activities is of utmost necessity, with the increase of competition among the South Asian countries.

Various policy measures need to be initiated to attract investment in new areas with potentials. These policy measures can be introduced after detailed consultation with the entire travel trade sector and with the mobilization of newly formed Nepal Tourism Board (NTB). Also this helps the Board to plan marketing of these zones in advance, which also helps in the marketing budget of the individual private sector in those regions.

There needs to be various reforms carried out in the aviation policy so as to make favorable condition for the airlines to open up in new sectors. The various social and tourist routes need to be redefined. Distinction between commercial and remote routes within social routes is required. Nepal Tourism Board should be very clear in its marketing strategies. Advertisements should be well connected with the events taking place in the country, efforts should be initiated to make documentaries, and they should be telecast through various international channels. Finally, a very strong research base will certainly help in effective planning. Thus, various studies have been undertaken mostly however, confining to enquire the economic impact.

Although tourism is important for developing country like Nepal, there is a dearth of literature relating to marketing and promotion, the present study about the marketing strategies taken by Nepal Tourism Board has been initiated.

W.W. Rostow (2007), has made it clear that in the process of economic development of a backward country some sector must play the role of a leading sector. So, the not only the sector (s), in question, grow rapidly but also have the capacity to move other sector of the economy forward. This process leads the entire economy on higher growth path. He has depicted the fact that the tourism sector has been improving its significance in the economy. It has been improving its significance in the economy. It has been estimated that the activities related tourism sector has strong inducement effect on the other activities of the economy. Beside foreign exchange earnings, it is equally important to employment. Further, he argued that, no doubt, Nepalese economy is moving faster and faster on the path of globalization.

Upadhaya (2008), in his Ph. D. Dissertation entitled "Tourism as a Leading Sector in Economic Development of Nepal", he has said that many countries have made efforts to promote tourism as a means of economic development. This development in various countries remain confirmed to local and regional level or helped the national economy as a whole. It is because tourism is considered as an inexhaustible industry that has potential to improve further as the tourism industry is developed gradually.

CHAPTER-III
RESEARCH METHODOLOGY

Research methodology is the most important aspect of research work. Reliable and relevant study can be made possible only by applying scientific method. Hence, the primary purpose of this chapter is to discuss and design the framework for the research. Different procedures have been followed:

3.1 Research Design

The main intention of this research is to collect the information, which describes the E-marketing prospects, participated in tourism sector by travel agencies in Nepal. For this purpose, survey was conducted. Survey is non-experimental research design, classified as either descriptive or exploratory, although there is no difference in classification. They are designed to obtain detail information from sample population. Survey is conducted to obtain detail information existing variable by either structure questionnaires or structured (or unstructured interviews). Collected data is simply explored by using some statistical tools. I have undertaken the following things:

- Problem identification of this reason for selection of the topic. (describe in chapter I)
- Review of previously published literature. (Described in chapter II)
- Clearly describe the data to be obtained.
- Explanation of how the data is to be obtained.
- Method of Analyzing the data.
- Research Report (i.e. Conclusion).

3.2 Selection of Study Area

As far as study for area is concerned, the overalls E-marketing prospect practiced in tourism sector by travel agencies in Nepal was selected as main topic of study. As Nepal Tourism Board is the main actor of marketing and promotion of Nepalese tourism, the operational model of such activities were studied.

3.3 Nature and Source of Data

The present study has been completed mainly with the help of primary data,the primary data are collected through fieldwork containing interview and questionnaire with travel agencies which is located in Kathmandu Valley. Apart from this some information is collected through unstructured interview with concern personal and other data are collected from Nepal Tourism Board, MOCTCA, NRB, MOF, articles, books and other relevant reports related with tourism.

3.4 Population and Sampling

A sample is generally selected for study because the population is too large to study in its entirety. In order to review the E-marketing prospect and practiced in tourism sector by travel agencies in Nepal, is necessary to identify and examine a sample of travel agencies because the population of travel agencies because the population of travel agencies operating in Kathmandu valley is immense and difficult to define. There are altogether 1026 travel agencies. 60 travel agencies are selected as a sample out of total population.

In order to narrow the parameters of this study to a manageable scale and to obtain a meaningful and comparable sample. The samples are collected incorporating all level of travel agencies like big, small and medium; a sample of the 60 travel agencies is purposive and based on the location, data of establishment & level.

3.5 Methods Used in Collection of Primary Data

For the purpose of primary data collection, field survey was conducted in January 2009. During the survey in addition to reading materials, the means of gathering the data and information included both questionnaire and interview techniques has been used in order to collect the data for the study. For the data, collection questionnaires are designed. With the help of questionnaire, data was collected from authorized personnel of Travel Agency. Apart from the questionnaires, some unstructured interviews were also taken to collect more information about tourism industry and their difficulties. These are presented in points under the data presentation chapter.

Questionnaires are designed in such manner, which can cover all the objectives of the study. As it is mentioned above questionnaires are prepared to collect the primary data. I hope to

collect information that is more exact on the research topic with the help of the questionnaires.

The first step of the study is to collect the necessary information from sampled Travel Agencies. The job has been fulfilled by a field visit to the travel agencies and interviewing the related persons. The second step of the study is to collect necessary data for the research objectives. It is done by another filed visit to the same travel agencies. Questionnaire were distributed to the related persons of the travel agency and collected after some time. The field visit is conducted in November 2009. The collected data is fresh &first hand in nature since there has not been such study undertaken specifically on this subject. Thus, various facts collected have been carefully studied.

3.6 Tools and Techniques Used in Data Analysis

3.6.1 Data Analysis Tools

During the data processing work, the filled questionnaires are carefully checked to remove errors and inconsistencies, if any. Data processing programs such as Microsoft Access and Microsoft Excel are used to record and process the collected data. These software are felt to be sufficient in analyzing the data.

One small application is developed in MS-Access in order to computerize the data systematically. All the opinions or data collected through questionnaires are then recorded to computer by using the application. The collected data is transferred to Microsoft Excel and stored out. There after, data is analyzed by using different tools of Ms Excel for example, chart tools of MS- Excel is used to present the data in graphs.

3.6.2 Data Analysis Tools

As it is mentioned above, the study is fully descriptive type. Descriptive Research is a process of accumulating facts. If does not necessarily seek to explain relationships, test hypotheses, make predictions or get at a meaning and implications of study'. So, as per the mature of research, no hypothetical tools are used to analyze the data. Only some statistical tools are used to explore the data. Main tools used in this study are:

﹚ %**(percentage):** To show the percentage of respondents on a particular question or opinion.

﹚ **Chart:** Different charts like pie, bar, column etc to show the graphical presentation of data.

CHAPTER IV

PRESENTATION AND ANALYSIS OF DATA

There were several steps to analyze findings of the research. The steps referred to 22 research questions and helped to find out the E-marketing prospects practiced in tourism sector by travel agencies in Nepal. This chapter examines the perception of travel agent regarding tourism situation, knowledge of internet marketing/e-marketing, problem for not implementing as a promotional tools and the major problem the sector face at present. Major objective of search is to find out the current trends of e-marketing practices by travel agencies in Nepal. So, tourism sector by travel agencies. In the respond on the objective of this research, views of travel agents are analyzed. The questions were objective, ranking and subjective types. The respondent's views are analyzed in the following tables using statistical tools.

- Z   Questionnaire
- Z   Data Analysis
- Z   Tabulation ( )
- Z   Presentation
- Z   Pie Chart

4.1 Analysis of the Respondent's Perception Regarding Current Situation of Travel and Tourism Industry in Nepal
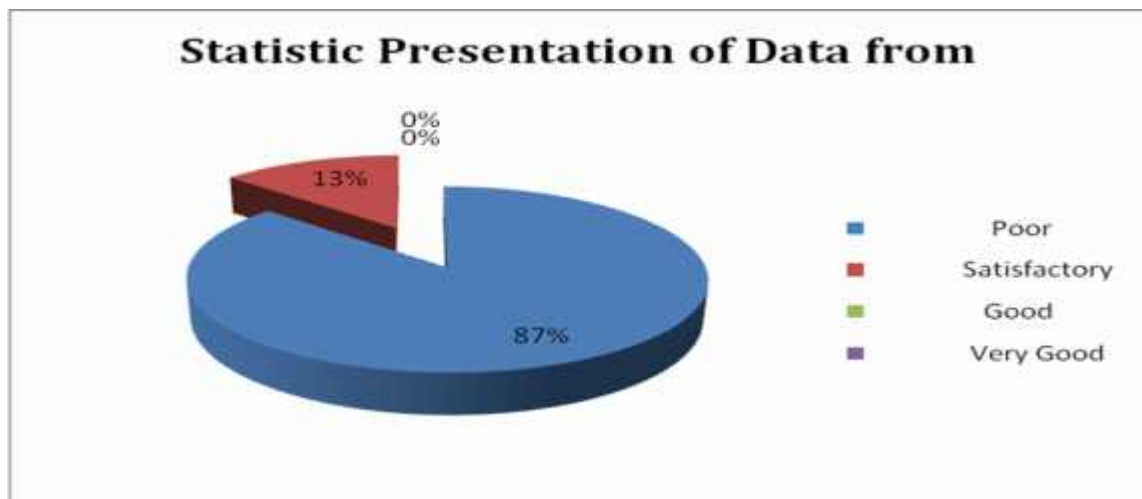
Table 4.1

Distribution of the Respondents Perception Regarding Current Situation of Travel and Tourism Industry in Nepal

Current Situation of Travel and Tourism Industry In Nepal	Respondents	
	Numbers	%
Poor	52	86.67
Satisfactory	8	13.33
Good	0	0
Very Good	0	0
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.1

Statistic Presentation of Data from

In the above table and graph, the respondent's perceptions are given about current situation of travel and tourism industry in Nepal. Among 60 total travel agents there were in majority

52(86.67%) of respondents who thought the condition is poor, 8 (13.33%) think satisfactory and none of the respondents thought the situation is appreciating. It seems that condition of tourism industry in Nepal is at its worst stage.

4.2 Analysis of the Respondent's Perception Regarding Nepal as Potential Tourist Destination

Table 4.2
Distribution of the Respondents' Perception Regarding, Nepal as
Potential Destination for Tourist

Nepal as Potential Destination for Tourist	Respondents	
	Numbers	**%**
Low	0	10
Medium	10	16.67
High	38	63.33
Very High	12	20
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.2

Statistic Presentation of Data
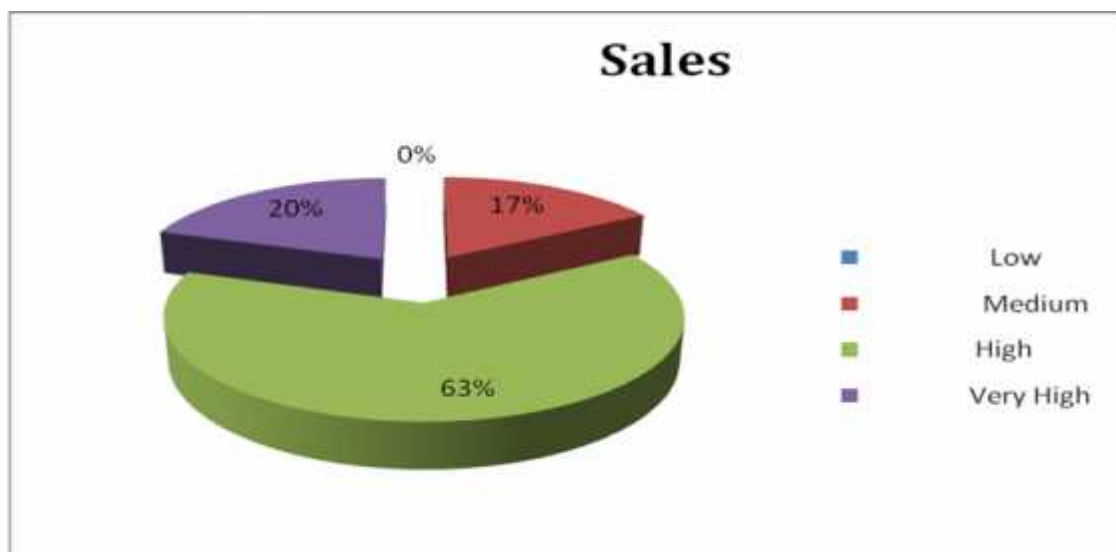
Out of total respondent i.e. 60, there were 38 (63.33%) respondents who thought that Nepal is highly potential tourist destination, there were 12 (20%) respondents who thought that Nepal has very high potentiality as a tourist destination, where a only 10 (16.67%) rated her as medium potential destination and none of the respondents' rate her as low potential tourist destination. It seems that Nepal was rated as high potential tourist destination due to her intoxicating natural beauty.

4.3 Analysis or the Respondent's Views on Better Year for Tourism Industry in Last Five Years

Better Year for Tourism Industry in Last Five Years	Respondents	
	Numbers	%
2005- 2006	0	0
2006- 2007	28	46.67
2007-2008	7	11.67
2008- 2009	25	41.66
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.3

Statistic Presentation of Data

Table 4.3 and graphs fig 4.3 shows the better year for tourism industry in last five years. There were 60 total respondents. Out of 60 respondents 28 (46.67%) thought 2006-2007 were the better years of tourism industry. Similarly 25 (41.66%) respondents' though 2008-2009 were the better years. 7(11.67%) thought 2007-2008 where as none of the respondents though 2005-2006 was the better year. It seems that 2006-2007 were the jolly years for tourism sector.

**4.3.1 Analysis of the Respondent's Reason for the Better Inflow in those years**

Table 4.3.1

Distribution of the Respondents' Reason for Better Inflow of Tourist

Reason for Better Inflow of Tourist in Those Year	Respondents	
	Numbers	%
Government promotional campaign (G.P.C)	22	36.37
Government Policy (G.P)	2	3.33
Better Environment (B.E.)	26	4.33
Private sector own promotional effort (P.S.P.E.)	10	16.67
Total	**60**	100

Source: Field Survey, January 2009

Figure No. 4.3.1
Statistic Presentation Data
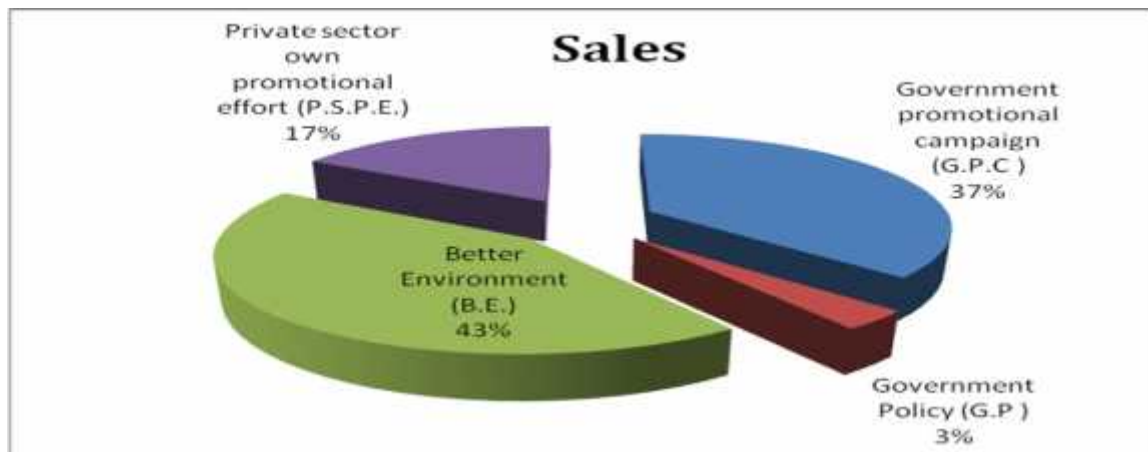
In the above table and graphs, the respondent's perception regarding better inflow of tourist is given. There were 60 total respondents. Out of 60 respondents there were 22(36.67% though it was due to government promotional campaign. Similarly 2 (3.33%) though that it was due to government policy where as 26(43.33% thought it was due to better environment of the country and only 10(16.67%) though it was due to private sector own promotional effort. It seems that tourism industry had great time in 2006-2007due to better environment of the country.

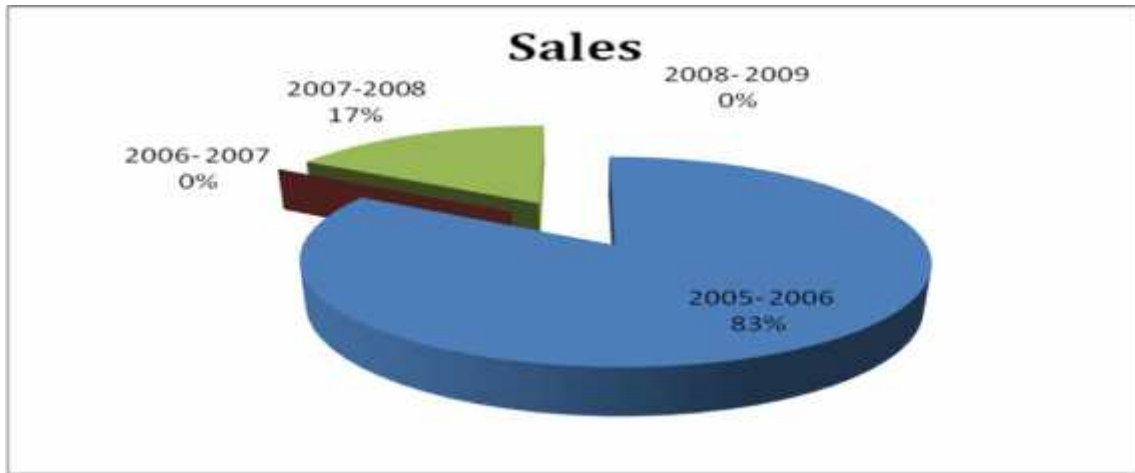## 4.4 Analysis of the Respondent's Views on the Evil Year for Tourism Industry in Last Five Years

Table 4.4

Distribution of the Respondents' View on Evil Year for Tourism

Industry in Last Five years

Evil Year For Tourism Industry in Last Five Years	Respondents	
	Numbers	**%**
2005- 2006	50	83.33
2006- 2007	0	0
2007-2008	10	16.67
2008- 2009	0	0
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.4
Statistic Presentation of Data

In the above table and graphs, shows the bad inflow to tourist in last five years. Among 60 total travel agents there were n majority 50(83.33%) of respondents' who though 2005-2006 were the worst year for tourism industry, only 10(16.67%) though 2007-2008 were the worst years and none of the respondents' thought that 2006-2007 and 2008-2009 were that worst year . It seems that 2005-2006 were the evil years for tourism industry in Nepal.

**4.4.1 Analysis of the Respondent's Reason for Bad Inflow of Tourist in Those Years**

Table 4.4.1

Distribution of the Respondents' Reason for Bad Inflow of Tourist

Reason for Evil Inflow of Tourist in Those Year	Respondents	
	Numbers	**%**
Internet factors	43	71.67
External factors	3	5
Both	14	23.33
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.4.1
Statistic Presentation of data
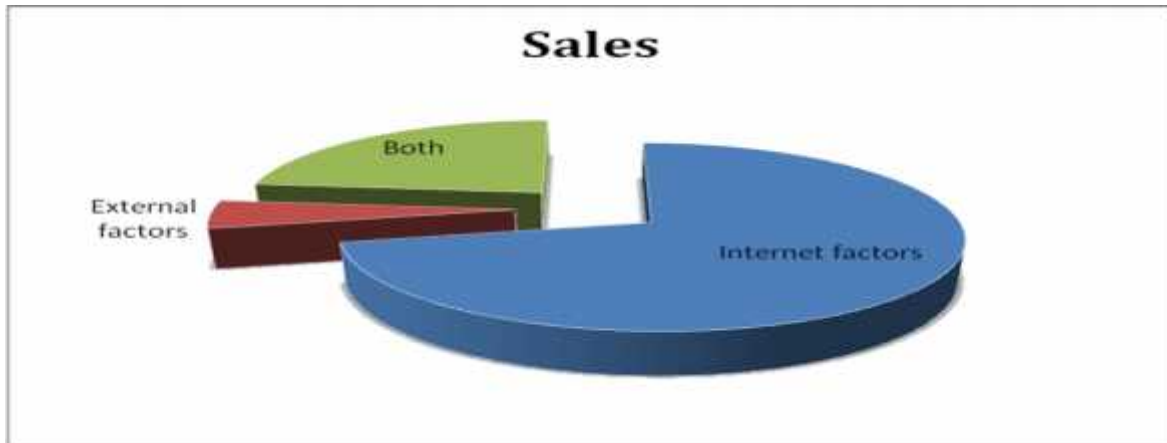
In the above table and graphs, the respondent's perception regarding bad inflow of tourist is given. There were 60 total respondents. Out of 60 respondents there were 43(71.67%) though that it was due to external factors, where as 14(23.33%) thought it was due to both internal and external factors. 3(5%) though that it was due to external factors, It seems that tourism industries were badly hampered by internal problems rather than external problems.

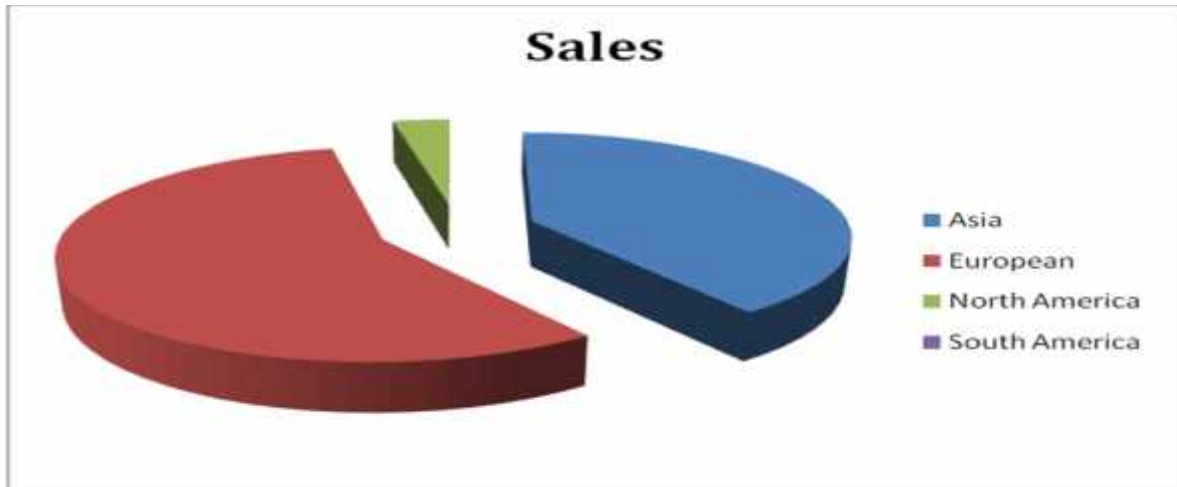## 4.5 Analysis of the Respondent's Which Region Does Most Travelers Comes From

Table 4.5

Distribution of the Respondents' which Region do Most Travelers come from

Region	Respondents	
	Numbers	%
Asia	24	40
European	34	56.67
North America	2	3.33
South America	0	0
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.5
Statistic Presentation of data

In The above table and graphs show that, Asian and Europeans were the major tourist visited in this part f the world. Among 60 Respondents' there were 34 (56.67 %) respondents favor European as the frequent visitor. Similarly they favor Asian I.e. 24 (40%) second most frequent visitor where as they favor North American i.e. 2 (3.33%) likely visitors. Thus, European and Asian were most influenced by the beauty of this country and from those continents most travel used to come.
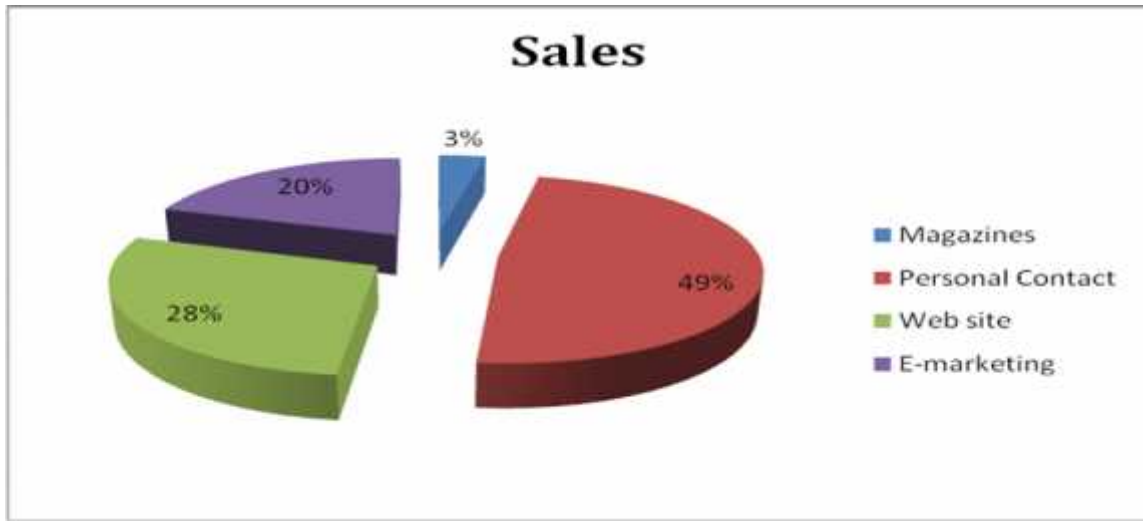
4.6 Analysis of the Respondent's opinion on Most Suitable promotion Medium

Table 4.6
Distribution of the Respondents' Choice

Promotional Medium	Respondents	
	Numbers	%
Magazines	2	3.33
Personal Contact	29	48.34
Web site	17	28.33
E-marketing	12	20
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.6
Statistic Presentation of Data

The promotional variables are given in above table and graphs; the respondent's perception 29 (48.34%) respondents whose choice of promotion medium, similarly 12 (20%) respondents prefer E-marketing as promotion tools whereas only 2 (3.33%) Respondents favor Magazines as a promotion medium. It seems that most people prefer personal contact as promotional medium rather than promoting through other promotional medium.

4.7 Analysis of the Respondent's Opinion on Factor for Healthy Tourism

Table 4.7

Distribution of the Respondents' opinion on Factors for Healthy Tourism

Factors	Respondents		
	Rating	Total	%
Environmental factor (E.F)	38*(4)+14(3)+5*(2)+3*(1)	207	33.12
Political Factor	19*(4)+26*(3)+12*(2)+3*(1)	181	28.96
Promotional Factor (Pro. Factor.)	2*(4)+17*(3)+38*(2)+3*(1)	138	22.08
Hospitality Factor (Hos. Factor.)	0*(4)+17(3)+5*(2)+38*(1)	99	15.84
Total		**625**	**100**

Source: Field Survey, January, 2009

Fig 4.7
Statistic Presentations of data

In the above table and graphs, the respondent's perception is given about the factors affecting the healthy tourism in Nepal. Among 60 respondents, they 6 rated the given

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preferences according to their priorities. Here all the ratings are added up to get the clear picture of factors that influence most for the healthy tourism According to the sum up preferences out of 625, environmental factor got 207 (33.12%) which indicates that 33.12%respondents' believed environmental factor for healthy tourism. Similarly 181 (28.96%) believed political factor. 131 (22.08%) believed promotional factor for healthy tourism. whereas only 99(15.84%) favor hospitality factor for healthy tourism. element. It seems that environmental factor should be given more concern and preference for healthy tourism in Nepal.

4.8 Analysis of the Respondent's Do You Have Web site

Table 4.8

Distribution of the Respondents' whether They Have Web site or N

Do You Have a Website?	Respondents	
	Numbers	**%**
Yes	50	83.33
No	10	16.67
Total		**10600**

Source: Field Survey, January, 2009
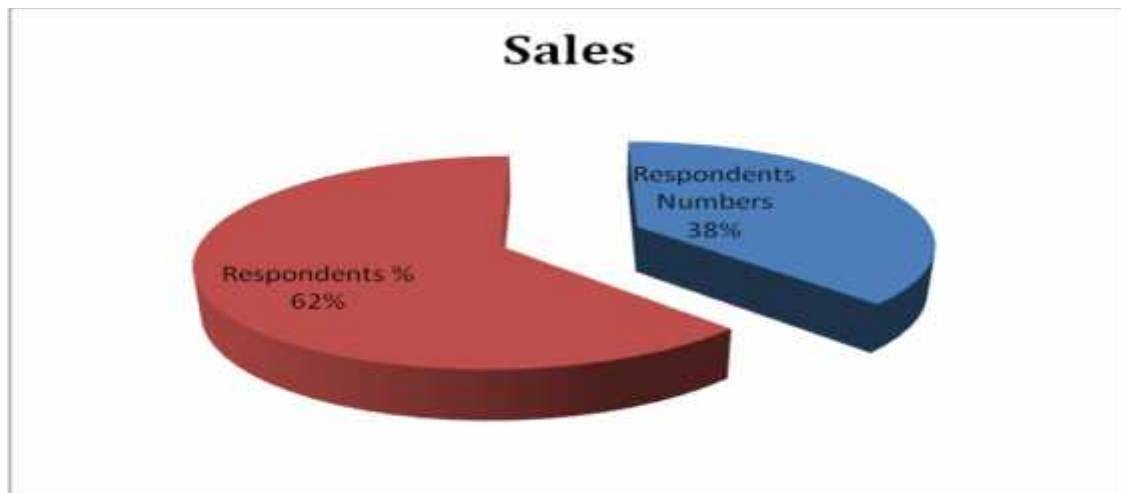
Fig 4.8
Statistic Presentation of Data

Table 4.8 and shows the availability f website or not in a travel agencies. In total 50(83.33%) travel agencies had website. Only 10 (16.67%) travel agencies had not kept website. It seems that majority of travel agencies do have website. Only few travel agencies do not have website.
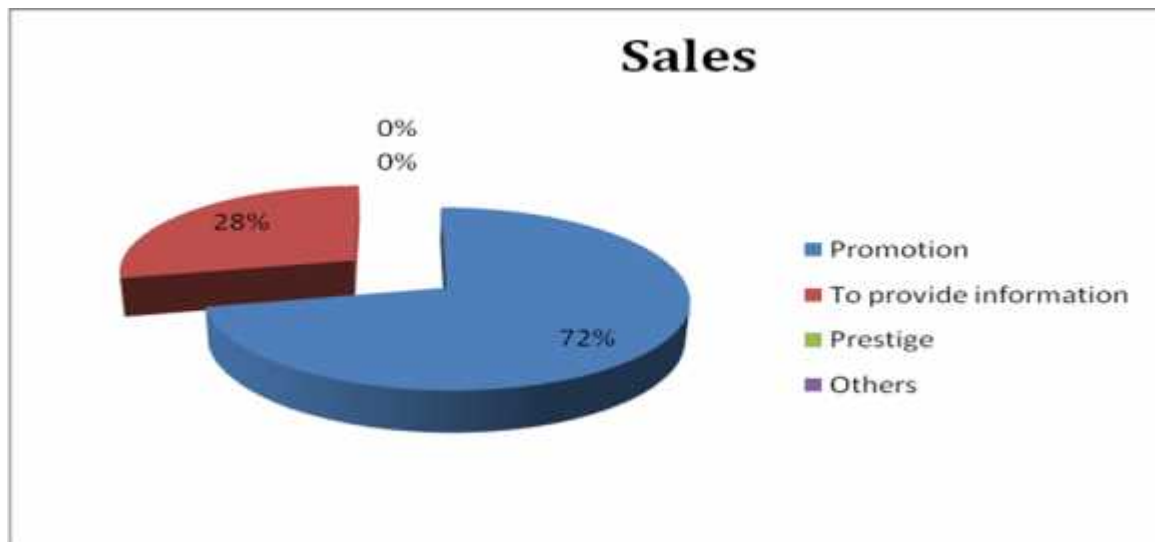
4.9 Analysis of the Respondent's opinion for having Website

Table 4.9

Distribution of the Respondents' opinion for H

Factors	Respondents	
	Numbers	**%**
Promotion	43	71.67
To provide information	17	28.33
Prestige	0	0
Others	0	0
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.9
Statistic Presentation of Data

In the above table and graphs shows, the respondent's perception regarding reason for having web site. There were 60 total respondents'. Among 60 total respondents majority 43 (71.67%) thought they had created web site for promotion purpose where as 17 (28.33%) thought they had created web site to provide information about their profile and services. It seems that most of the travel agencies have created website for promoting their services.

4.10 Analysis of the Respondent's Rating on own Travel Agency Website

Table 4.10

Distribution of the Respondents' Rating on Their Own Website

Factors	Respondents	
	Numbers	%
Exceeds Expectation	0	0
Meets Expectation	43	71.67
Below Expectation	17	28.33
No Expectation	0	0
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.10
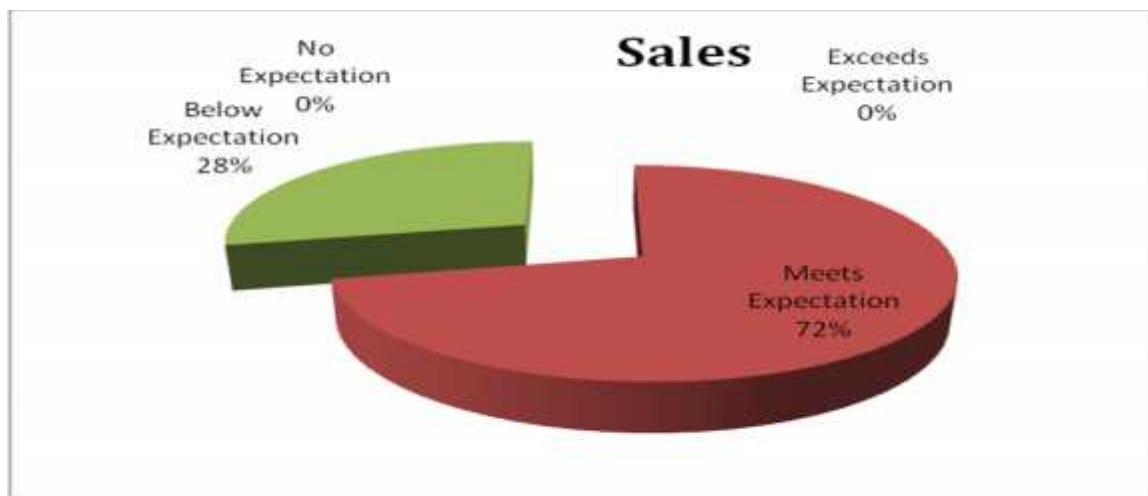**Statistic Presentation of data**

Table 4.10 and graphs show the length of time they had been using internet. Out of total respondents there were 43 (71.67) respondents had been using internet from past 1to3 years. Whereas 17(28.33) respondents had been suing internet from last 4to 7 years. It seems that majority of respondent had been using internet from last one to three years.

4.11 Analysis of the Respondent's How Long You Have Been Using Internet 1

Table 4.11

Distribution of the Respondents' Using Internet in Terms of Time Duration

Time Duration	Respondents	
	Numbers	**%**
Less Than 1 month	0	0
1to 3 years	43	71.67
4 to 7 years	17	28.33
Not at all	0	0
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.11
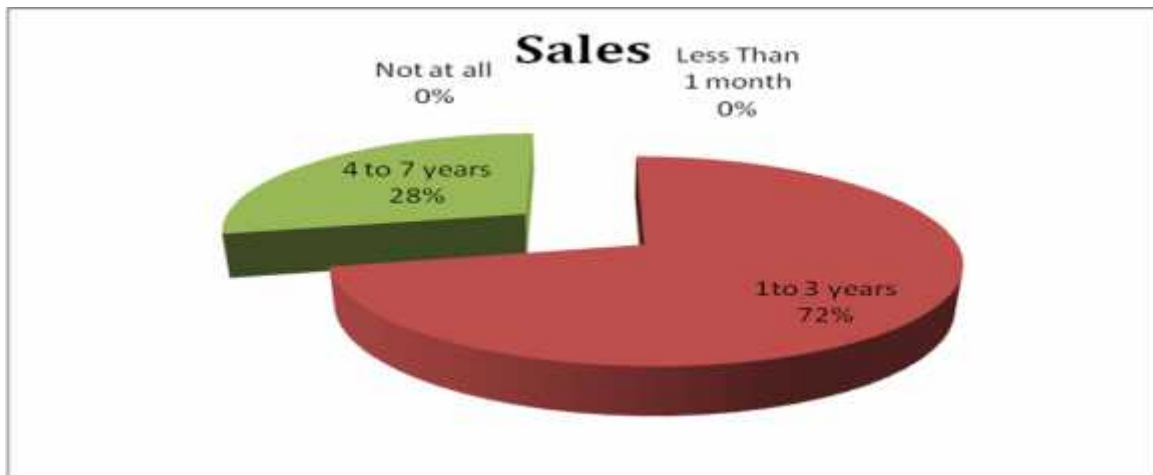**Statistic Presentation of data**

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Table 4.11 and graphs shows the length of time they had been using internet. Out of total respondents there were 43(71.67%) Respondents had been using internet from past 1to3 years. Whereas 17(28.33%) respondents had been using internet from last 4to 7 years. It seems that majority of respondent had been using internet from last one to three years.

4.12 Analysis of the Respondent's Idea about E-Marketing

Table 4.12

Distribution of the Respondents' Idea on E-Marketing

Idea on E-Marketing	Respondents	
	Number	**%**
Yes	43	71.67
No	17	28.33
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.12
Statistic Presentation of data
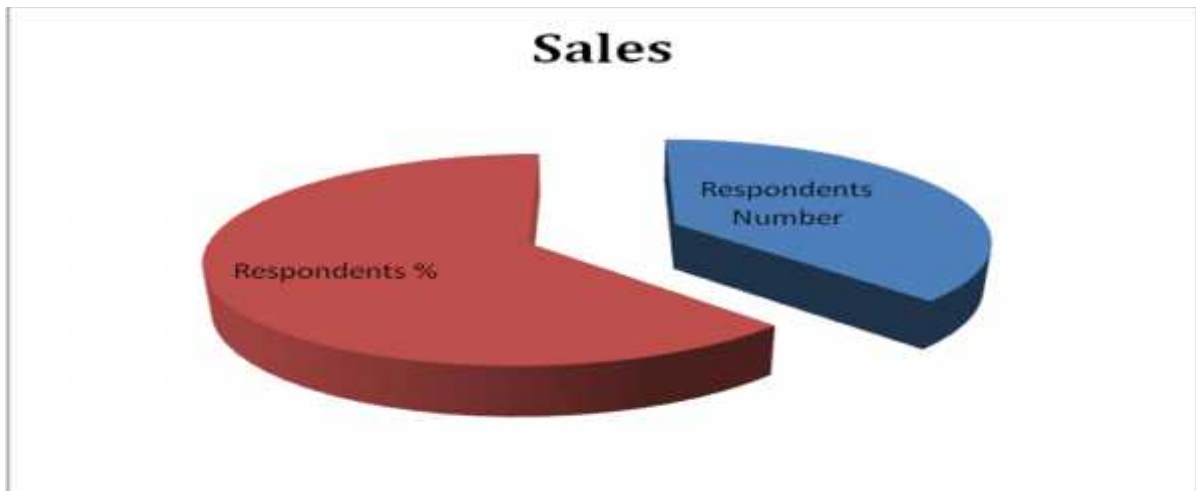
Knowledge or idea of e-marketing helps promoting site through internet. The idea of respondents regarding e-marketing is presented in table 4.12 and graphs. Which shows that

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out of 60 respondents 43(71.67%) has idea about e-marketing where as 17(28.33%) didn't have any idea about e-marketing. It seems that most of the travel agents so have ideas about e-marketing. This is encouraging result for tourism sector.

4.13 Analysis of the Respondent's what are the promotional tools you are undertaking for promoting your site

Table 4.13

Distribution of the Respondents' way of promoting site

Promotional tools	Respondents	
	Numbers	%
Not at all	0	0
Email – Marketing	34	56.67
Search Engine	23	38.33
Including your URL in Tourism related directories	13	5
Total	**60**	**100**

Source: Field Survey, January, 2009

Fig 4.13
Statistic presentation of data
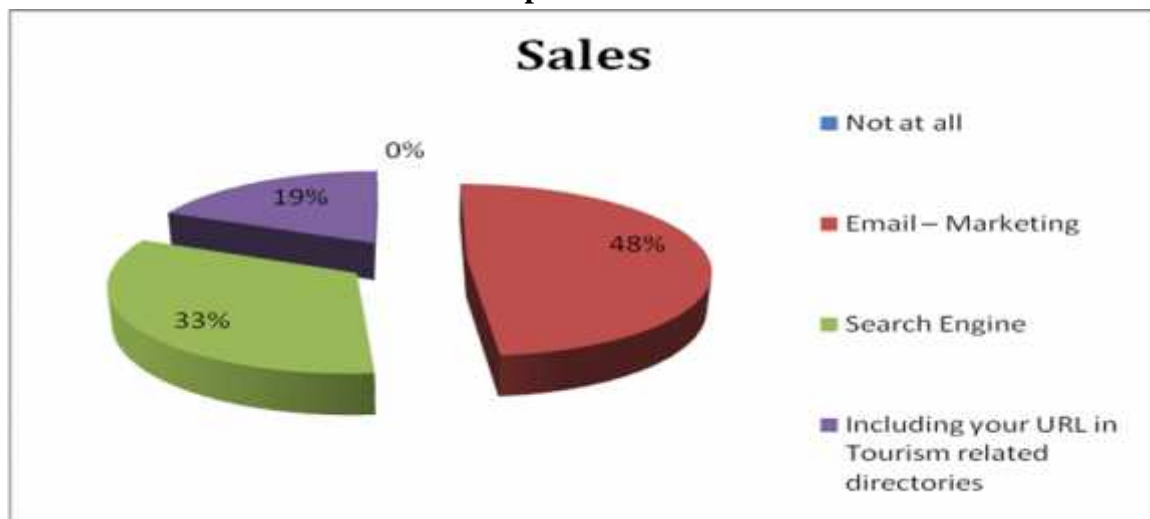
In the above table 4.13 shows respondent's way of promoting site. Here only 18 respondents had chosen the promotional tool options. Among 18 respondents' most of the respondents and chosen two options instead of one, Though no of respondents were 18 but I have also included those respondent's who had selected two options. Here 23numbers of respondents' were assumed and presented accordingly. Out of total 23 numbers of respondents' were assumed and presented accordingly. Out of 123 respondents' 13(56.52%) of respondents' were undertaking e-marketing options to their promote site. similarly 9(39.13%) no of respondents' were undertaking search engine option to promote site. whereas only 1(4.34%) on of respondent was undertaking URL inclusion in tourism related directories method to promote their site. it seems that both email marketing as well as search engine were taken tentatively equally by travel agents to promote their site.

4.14 Analysis of the Respondent's which E-Mail Marketing Method you are following

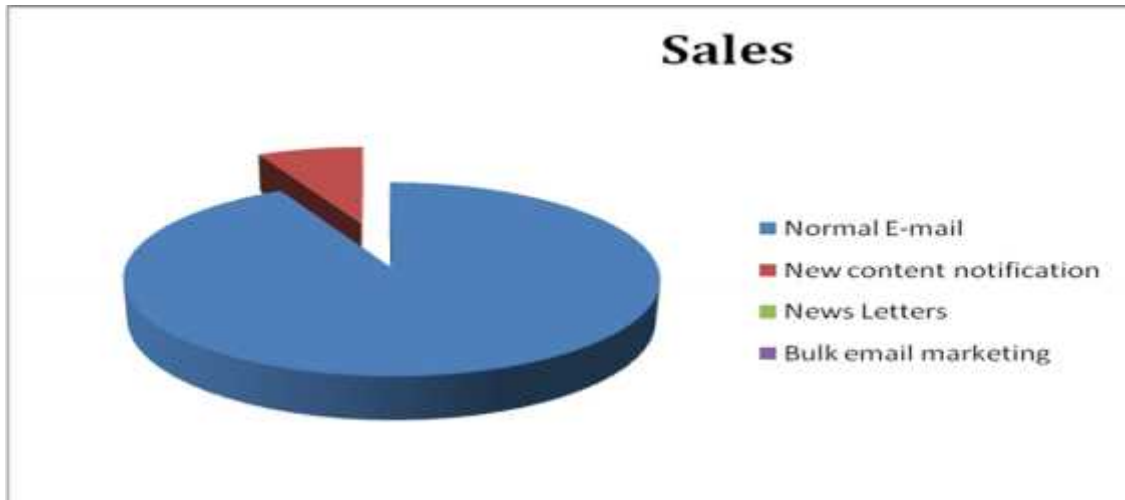**Table 4.14**

Distribution of the Respondents' Answer for Email Marketing Method They are following

E-Marketing Method	Respondents	
	Number	**%**
Normal E-mail	37	92.50
New content notification	3	27.50
News Letters	0	0
Bulk email marketing	0	0
Total	**40**	**100**

Source: Field Survey, January, 2009

Fig 4.14
Statistic Presentation of data from table 4.41

N the above table and graphs the respondent's perceptions are presented about the E-marketing options they are following. Out of total 40 respondents 37(92.50%) had used normal e-mail as a promotion tools where as only 3(7.50%) has used news letter option for promotions . This indicates that majority of respondents are using normal email to inform or promote its services to the outside world.

4.15 Analysis of the Respondent's Which Method You Have Used for Submitting Your Site in search engines
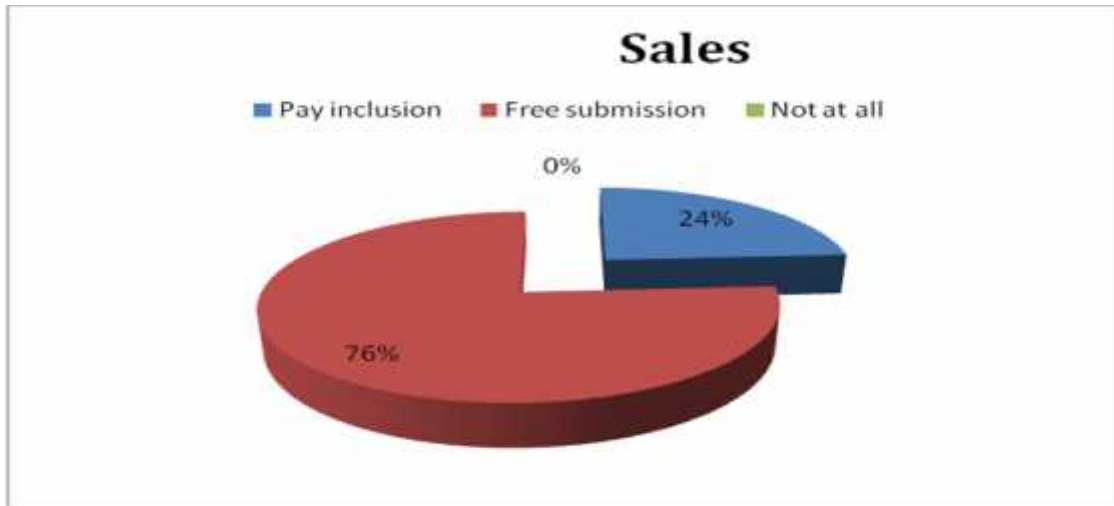
Table 4.15

Distribution of the Respondents' Method for submitting site in Major Search Engines

Method for submitting site in search engine	Respondents	
	Numbers	**%**
Pay inclusion	6	24
Free submission	19	76
Not at all	0	0
Total	**25**	**100**

Source: Field Survey, January, 2009

Fig 4.15
Statistic Presentation of data

They had chosen www.altavista.com for submitting their sites in search engine it seems that respondents had used Alta Vista for submitting their site in search engine.

4.16 Analysis of the Respondent's focus on optimizing keywords or pages on their site for better positioning their site and major search engines.

Table 4.16

Distribution of the Respondents' focus on optimizing Keywords or pages on their site

Focus on Optimizing site	Respondents	
	Numbers	**%**
Yes	13	34.21
No	25	65.79
Total	**38**	**100**

Source: Field Survey January, 2009

Fig 4.16
Statistic presentation of data

Table 4.16 shows the focus of respondents' regarding optimizing keywords or pages in their site for better positioning their site in search engines. Out of 38 respondents' 13 (34.21%)respondents' focus on optimizing keywords them had chosen www. altavista.com for submitting their sites in search engine . it seems that respondents had used Alta Vista for submitting their site in search engine.

4.17 Analysis of the Respondent's Focus on optimizing keywords or pages on Their site for better positioning their site and Major search engines

Table 4.17
Distribution of the Respondents' focus on optimizing Keywords or pages on their site

Focus on Optimizing site	Respondents	
	Numbers	**%**
Yes	13	34.21
No	25	65.79
Total	**38**	**100**

Source: Field survey, January 2009

Fig 4.17
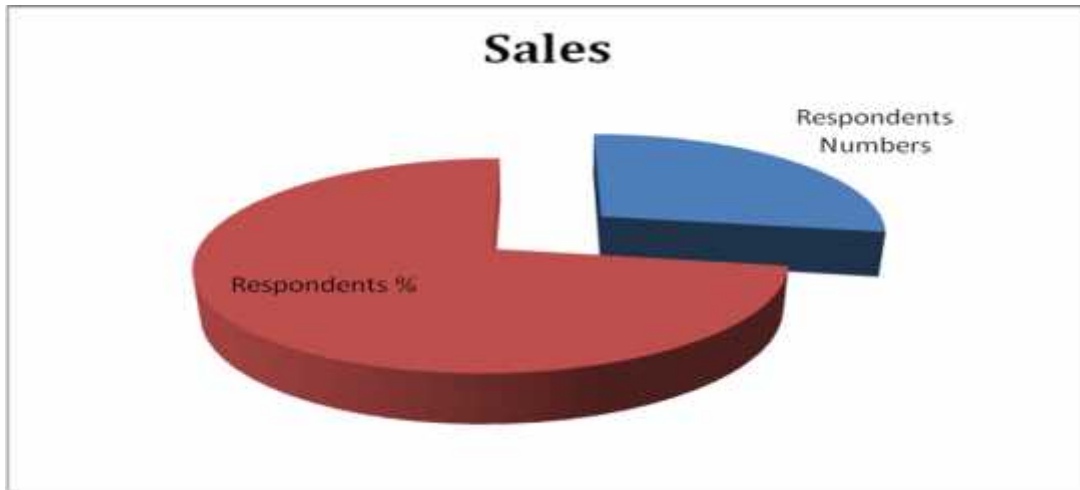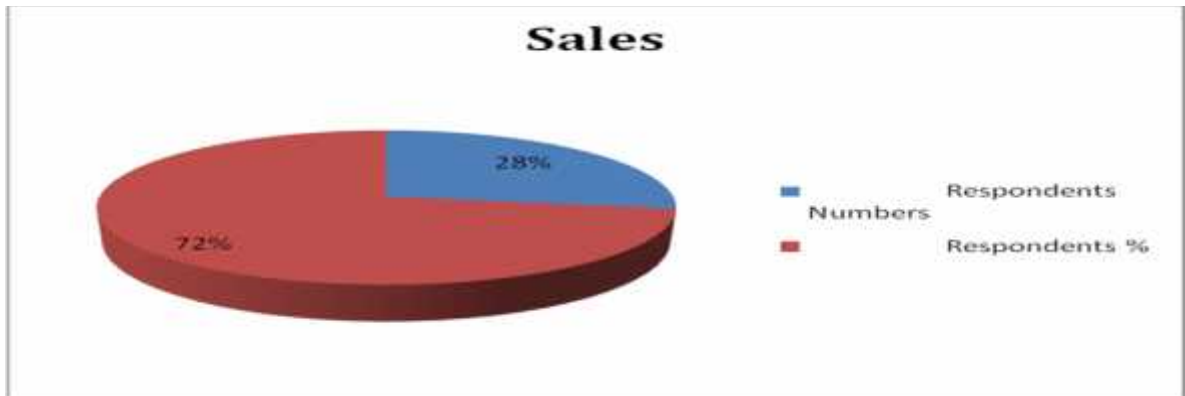**Statistic Presentation of data**

Table 4.17 shows the focus of respondents' regarding optimizing keywords' or pages in their site for better positioning their site in search engines. Out of 38 respondents' 13(34.21%)respondents' focus on optimizing keywords where as majority of respondents i.e. 25(65.79%) had no idea about optimizing keywords or pages in their site for better positioning there in search engines . It seems that most of the respondents' have no idea of optimizing their site

4.18 Analysis of the Respondent's Reason for not Implementing Internet as promotional tools

Table 4.18

Distribution of the Respondents' Reason for not implementing internet as promotional tools

Reason	Respondents	
	Numbers	**%**
Lack of fund	5	27.78
Lack of knowledge	13	72.22
Inefficient medium	0	0
Others	0	0
Total	**18**	

Source: Field survey, January, 2009

Fig 4.18
Statistic Presentation of Data
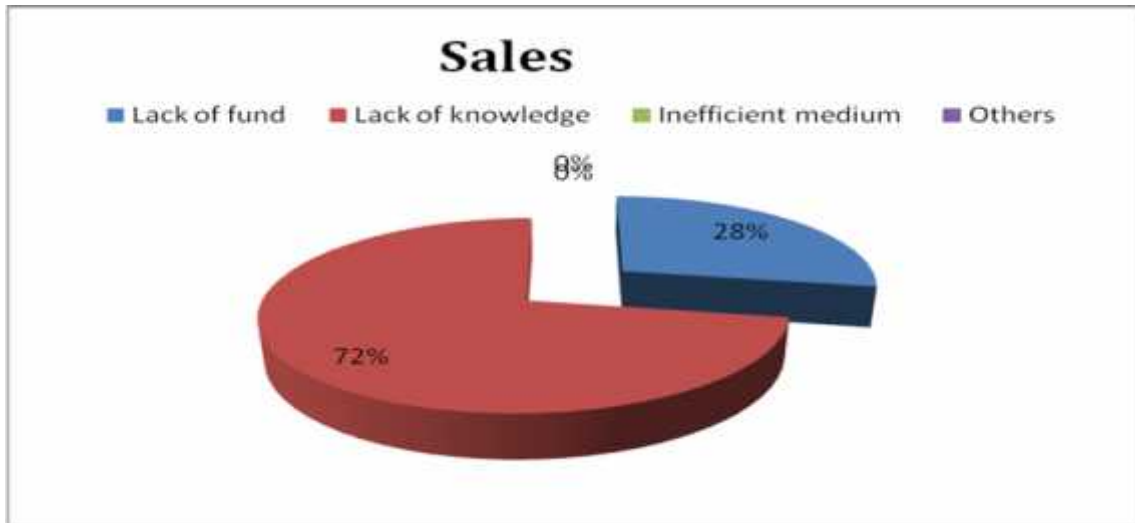
Table 4.18 shows that out of 18 respondents' due to lack of knowledge majority of respondents' i.e.13(72.22%)had not implemented internet as promotional tools. Whereas 5(27.78%) respondents' though due to lack of fund they had not implemented internet as promotional tools. It seems that most of the travel agencies are not implementing internet as promotional tools due to lack of knowledge.

4.19 Analysis of the Respondent's rating of Contribution Made by Internet for promotion of Tourism in Nepal

Table 4.19
Distribution of the Respondents' Rating about internet contribution

Contribution	Respondents	
	Numbers	**%**
Poor	2	3.33
Satisfactory	53	88.33
Good	5	8.34
Very good	0	0
Total	**60**	

Source: Field survey ,January , 2009

Fig 4.19
Statistic Presentation of Data

Table 4.19 shows that the respondents' opinion about contribution made by internet for promoting of tourism in Nepal. The respondents were asked about internet contribution . Out of 0 respondents, Majority of respondents' i.e. 53(88.33%) respondents had indicated satisfactory internet contribution for promoting of tourism in Nepal. similarly 5(8.34%) Respondents' had indicated good internet contribution. Whereas 2(3.33%)respondents' though internet had contributed poorly. It seems that majority of respondents were satisfy by the contribution made be internet for promoting tourism in Nepal.

4.20 Analysis of the Respondent's Frequency of using mail for getting touchy with clients

Table 4.20

Distribution of the Respondents' Frequency of using mail

Frequency	Respondents	
	Numbers	**%**
Every day	58	96.67
Several times a week	2	3.33
Several times a month	0	0
Not at all	0	0
Total	**60**	**100**

Source: Field survey ,January,2009

Fig 4.20
Statistic Presentation of data

Table 4.20 shows that the respondents' frequency of suing e-mails for getting touch with clients. Out of total 60respondents' there were majority of 58(96.67%)respondents' who were using e-mail daily in order to correspondent with clients. Whereas only 2 (3.33%) respondents were using e-mail several times a week for getting touches with clients. It seems that majority of travel agencies are using email daily for correspondent with clients.

4.21 Analysis of the Respondent's rating the advantages for suing E-Marketing as promotional tools

Table 4.21

Distribution of the Respondents' Rating the Advantages for Using E-marketing as promotional tool

Advantages	Respondents		
	Rating	Total	%
Cost saving	19*1+19*2+10*3+12*4	135	21.95
Time saving	10*1+26*2+14*3+10*4	144	23.41
Effectively	10*1+12*2+17*3+21*4	169	27.48
Exposure to the outside world	17*1+2*2+22*3+19*4	167	27.16
		615	**100**

Source: Field survey January,2009

Fig 4.21
Statistic Presentation of data
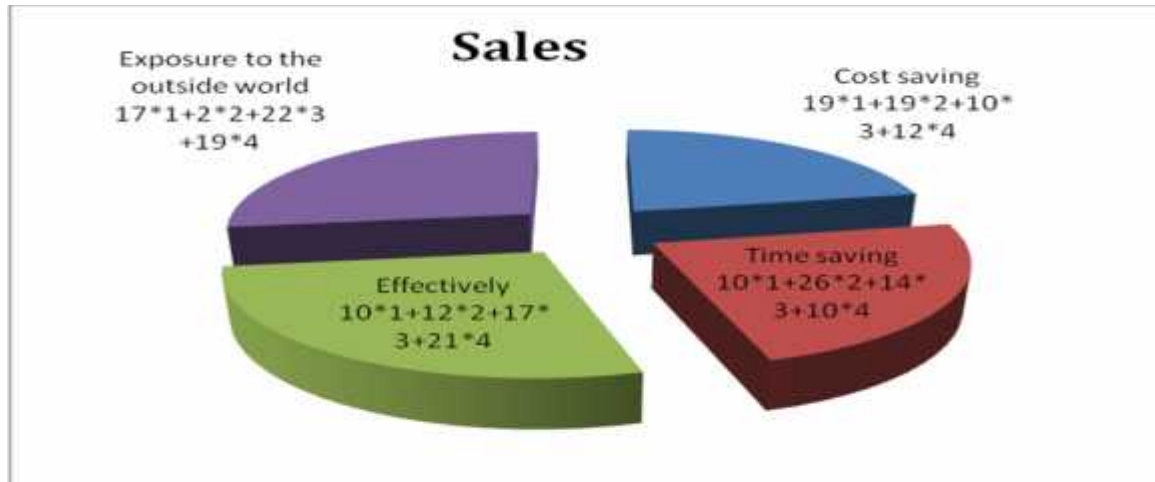
In the above table and graphs, the respondent's ratings are given about the advantage of e-marketing as promotional tools. Among 60 respondents they rated the given advantages according to their perception. Here all the ratings are added up to get the clear picture of

advantage of e-marketing as promotional tools. According to the sum up rating out of 60, advantage effectively got 169(27.48%) which indicates that 27.48% respondents' believed effectively was the major advantage of e-marketing. Like wise 167 (27.16%) respondents' believed exposure to the outside world was the advantage of e-marketing. Similarly 144 (23.41%) believed time saving was the advantage of e-marketing. Whereas only 135(21.95%) favor cost saving advantage as a promotional tools. It graphs shows that all were the tentatively equal advantages of e-marketing.

4.22 Analysis of the Respondent's Views on problem dose the sector face at present

This question was asked to different travel agencies personnel regarding present problem does sector face at present among 60 respondents' all of them gave the same answer. Every respondent's had pointed out same problem the sector face at present. They believe at present sector is badly hit by interval problems such as unstable government, law and order situation, rumor that international media had been spreading regarding Nepal as an unsecured destination for tourist etc. These are the problems that had been demoralizing the tour operator in Nepal. It seems that if these problems will be rectified and effectively marketing is undertaken than goods day will definitely come back.

4.23 Major Findings

The majority of survey respondents reported that the current situation of travel and tourism sector in Nepal is poor (86.67%) . In addition only (13.33%) respondents seems satisfied with the current situation of travel and tourism industry in Nepal. Perception of respondents regarding Nepal as a potential destination for tourist (63.33%) respondents considered Nepal as high potential tourist destination. Regarding better year for tourism industry in last five years, the majority of the respondents (46.67%) thought, 2003-2004 were the better year for tourism industry and reason for the good inflow of the tourist in those years were due to better environment of the country (41.66%) respondent's responded. 83.33% respondent's considered 2002-2003 were the evil year for tourism industry in last five years and reason for bad inflow of tourist were due to internal problem of the country (71.67%) respondent's responded. There were comparative view about the region from where most tourists used to

come, 56.67% respondents believed from Europe and 40% respondents believed for Asia. As regards to the promotion medium which the respondents' prefect it seems that 48.34% respondent prefer personal contact for promotion medium rather than promoting through website (33%) e-marketing (20%) and magazines (3.33%). There were also comparative opinion regarding the factors effecting for healthy tourism(33.12%) respondents reported better environment is must, similarly 28.96% respondent's reported political factors, where as 22.08% and 15.84% respondents believed promotional and hospitality factors is most for the healthy tourism in Nepal.

In addition, most travel agencies (83.33%) do have website published on web, whereas, only (16.67%) do not have website and reason for having website is for promotion 71.67% respondents responded but 28.33% respondent's kept website for providing information.

when asked to rate their website (71.67%) respondents rated their website is performing below expectation whereas (28.33%) respondents believed they got what they have expected from website. (71.67%) and (28.33%) respondent's reported that they have been using internet from last 3-4 years and 4-7 years respectively. Out of total respondent's majority of respondents (71.67%)had an idea about e-marketing and (56.67%)of respondents were using e-mail marketing and 38.33% were using search engine submission and only 5% were using tourism related directories as e-marketing promotional tools. Of those, who were using email marketing method, (92.50%) reported that they are using normal email and only (7.50%)

are using new content notification to inform or promoter their services to the outside world. Of those, who were using search engine submission, (76%) were using free submission method for submitting their site in major search engines, where as only 24% were paying to include their site in search engines. Of those, who had chosen pay inclusion option, all of them had used Alta Vista for submitting their site in search engine. Majority of the respondent (65.79%) had never focused on optimizing keywords or pages on their site. Whereas, (34.21%) had taken keyword optimization into their concerned.

When asked reason for not implementing internet as promotional tools. Of those, who had selected that they have no idea bout e-marketing i.e. 27.78% of the respondents gave the

reason , due to lack of knowledge they were not using internet as promotional tools and rest due to lack of fund (27.78%)

When asked to rate the contribution made by internet on tourism sector majority of the respondent's (88.33%) was satisfied by the contribution made by internet for promoting tourism in Nepal. Among the total respondents frequency duration of using email majority of respondents had been using email daily. While asked to rate the advantages for using e-marketing as promotional tools, the most common responses were cost saving (21.95%) time saving (23.41%), effectively (27.48%)and exposure to the outside world (27.16%) respectively. While unstructured interview and subjective question www asked, the entire respondents consensus that at present tourism is badly hit by interval problems such as unstable government, law and order situation and rumor that international media had been spreading regarding Nepal as an unsecured destination for tourist etc. It is crucial to note that there were no significant differences between the responses provided by respondents (i.e. any level of organization either big or small travel agencies") for most of the question throughout the survey. Therefore, all the travel agencies are not taking serious consideration regarding internet marketing as important elements for promoting tourism.

CHAPTER-V
SUMMERY, CONCLUSION AND RECOMMENDATIONS

The research questions based on field survey and analysis are summarized below. Regarding the issues stated in conclusions, some suggestions are explained in detail in the following section, Recommendation. This chapter is the concluding part of this write up. It's the research report on e-marketing prospect practiced in tourism sector by travel agencies in Nepal. The study area was located at Kathmandu valley. A total of 60 respondents were randomly selected for finding e-marketing prospects practiced in tourism sector by travel agencies in Nepal. Another important feature of this study is to suggest appropriate recommendation regarding how tourism can be promoted though internet.

5.1 Summary

Nepal, tough a small in territory, it is well known as land of mighty mountains with iconic Mt. Everest. Endowed with beautiful landscapes, natural beauties and cultural attractions, Nepal is famous destination for international travelers through tourism started only after sixties. Nepal within two decades became successful to have its significant position in world tourism scenario. Tourism in Nepal became a strong contributor in national economy after it boomed in eighties. It has become important foreign export being major source of foreign exchange. Apart from this, it has been contributing in creating direct and indirect employment opportunities.

Realizing the importance of tourism sector to uplift national economy, Nepal government has formulated various policies, plans and strategies to develop tourism as sustainable industry. Tourism master plan 1972 was an important step in policy formulation Nepal Tourism Board (NTB) was established in 1999 with the principle of public private partnership approach. Since then, NTB has been marketing 'Nepal' as an enchanting holiday destination in world tourism market. It has adopted various strategies and undertaken different activities in order to promote Nepal as a must visit destination.

We have abundant resources for which the country enjoys competitive advantages. Tourism represents one among such sectors, which could rebuild the image of the country bringing back multifaceted benefits to the country and the people at large .It also emerged as an exemplary model for the Nepalese economy and represents around 4% to the country's GDP and is also a major source of employment. She has developed as an independent sector of the economy heavily involving the Nepalese private sector. Travel agencies are among such private sector wings which are responsible to bring or has contributed to great extent to invite lots of tourist from all over the world. So to great extent promotion of tourism by these travel agencies has direct correlation with the inflow of tourist in Nepal. In order to find the perception of travel agencies regarding e-marketing prospect practiced in tourism sector this topic was undertaken. With this respect five objectives were taken into consideration i.e. To survey the current market situation of Travel Agencies, to find and examine Travel Agencies perception regarding E-marketing, to find out popularity of internet as marketing tools among Travel Agencies, to explore the problems and prospects or E-marketing and recommend appropriate recommendation in order to promote intoxicating beauty of this country through internet.

To determine the objective of the research field survey where conducted using survey question (Appendix). A total of 70responses were collected during a 15 days period in January, 2009 of the responses collected, 60 were complete and 10 were incomplete. Approximately 70%of all respondents were from Thamel area and rests were from Durbar Marg, Kamalpokhari, and Naxsal and other palaces collected information was analyzed in order to determine objectives of the research using static tools.

5.2 Conclusion

The most crucial factor is that without correct promotion and marketing of Nepal as tourism destination and marketing product for potential tourists the flow of tourist will not increase. Though travel agencies are paying vital role for promoting Nepal as tourist destination in its own way and knowledge of internet seems satisfactory but the way of marketing through internet seems minimal.

Over the last five years, the growth of internet has been exponential, internet is part of hundreds of millions of peoples, lives, and the number of users keeps growing. If tourism is

to be developed sensibly the travel agencies must promote its site and services through internet to reach wide number of tourist all over the world. Only way to do it is through internet. Though travel agencies are participation trade fair have website and using email for getting in touch with their clients but that's not enough with the growing no of international tourist and its competitors. Almost all the travel agencies in Kathmandu valley do have website but existence of website doesn't mean visitor will come to visit their site, for that promotion is must. It seems that travel agencies do have knowledge about e-marketing but they are not taking into professionally or to a great concern, may be due to lack of knowledge or fund. We must expand our tourism. Currently travel agencies stuck in promoting through personal contact, through tour agents and marketing in local area to grab bunch of tourist and focus on Europe and Asia but with the advantages of internet they can reach all corner of the world.

Travel agencies must not overlook the fact that a new trend in international tourist is emerging. Before every   visit to any country, tourist are more concern about the security and activities that region can offer. The get all those information through websites. Travel agencies have abundance to packages to offer the only concern at present is lack of security to tourist and proper way of doing marketing on internet. If the current problems solved and travel agencies undertake internet as promotional tools definitely the flow of tourist will rise.

Tourism industry is a foreign currency spinner and its impact on Nepalese economy can hardly be exaggerated. Given the diverse nature of tourism resources in this part of the world, promotion is must in order to better inflow the number of tourists in Nepal Internet marketing /e-marketing is one of the promotion tools to promote our destination and services throughout world. This major aims of the study was to assess the travel agencies perception regarding e-marketing. The research presented in this thesis is an important step in the examination of the current situation e-marketing prospects practices and its problems. This research gas demonstrated the current trends of internet marketing and its knowledge among travel agencies. In this survey there were 60sampled travel agencies of Kathmandu valley.

The research process itself has been valuable learning experience about current situation, e-marketing popularity and its problems among travel agencies. Almost all the respondents perceived that the situation is very critical at present. Though the country possess high

natural potentiality to enchant tourist from all over the world. Mostly Europe and Asia are the major source of tourist. During last five years 2003-04 were the better year for tourism industry and reason for great inflow of tourist in those year were due to better environment of the country. 2002-2003 were considered as the evil year, during those years there were heavy influx of tourist and reason for that were due to country own internal problems. So for the healthy tourism the country must first settle down it's won internal problems and create better environment for tourist to come. Almost all the respondents' prefer personal contact as promotional medium and very few chosen website and e-marketing as promotional tools. It seems that there is lots of gap between respondents' though about hi-tech way of doing marketing. Surprisingly, almost all the travel agencies do have website and most of them kept it for promotional purpose and few for providing information about Nepal. Website seems not effective to promote their services i.e. performing below expectation but truth is that existence of website doesn't mean people will come and visit your site for that promotion is essential though most of the travel agents are suing internet from last 4-7 years and most of them possess knowledge about e-marketing and using email and search engine submission as a promotional tools but not giving more concentration in submitting their URL in tourism related directories. They are only using normal email for promoting their site; it seems that they are not considering other email marketing tools such as newsletters, bulk email marketing and new content notification. While submitting their site in search engines they are not choosing pay inclusion option, they are only choosing free submission options. It seems that they are not conscious about professional of guarantee way of submitting their site in search engine and only nominal no of travel agency are using Alta Vista search engine services for submitting their site in search engine. Most of the travel agencies were not giving priorities to optimizing key words/pages for better positioning their site in major search engines.

Almost all the respondents were satisfied by the contribution made by internet but due to lack of knowledge and fund they were not implementing as promotional tools in effective manner. Though they are using email in regular basic for getting in touch with the clients and have common responses regarding its advantages like effectiveness, exposure to outside world, time saving and cost saving. The entire respondents consensus that present tourism is badly hit by interval problems such as unstable government, Maoist problems, law and order

situation and rumor that international media had been spreading regarding Nepal as an unsecured destination for tourist etc. If the current crisis is settled down and hi-tech way of doing marketing is also consider for promoting tourism by these travel agencies the future of tourism industry will gloried to great extent than before. After going through the whole research what I have concluded is that most of the travel agencies knows the importance of internet as marketing tools, due to the fact that most of them have a website and using e-mail on regular basis but due to lack of knowledge, fund and ignorance they are not utilizing e-marketing in professional way of seriously.

5.3 Recommendations

Nepal Tourism Board and all the tourism related association should also take some initiatives and organize program regarding internet and its effectiveness as promotional tools and suggest way of doing it for travel agencies and other tourism related organization like hotels, trekking agencies etc. Here are some of the recommendations how the tourism product can be promoted through internet.

> Education regarding internet and computer plays a vital role to determine every change in world. This study recommend that education about e-marketing is must for travel agents in order to promote its services through internet or can consult with internet marketing consultants like www. Mountdigit.com for promoting its services through internet.

> Web site is must to display travel agencies profile, services it offers and information about places they can be visit. For that website should be made in interactive way where viewers can negotiation. Prices of packages travel agencies can offer can also be displayed .Generally email marketing can be implemented with these 3 objectives in mind:

   ⌡ Sending direct promotional emails to try and acquire new customers or persuade existing customers to visit again

   ⌡ Sending emails designed to encourage customer loyalty and enhance the customer relationship

   ⌡ Placing your marketing massages or advertisements in emails sent by other people

- By using search engine to market your tourism service on internet. Travel agencies website needs to have text that is rich in content which uses the keywords you think will get you the targeted traffic to get you potential customers from search engines. Optimize your key word/pages for better position your site in search engines.

- Travel agencies also can submit its site using pay inclusion. Although there are several different kinds of paid inclusion like pay-per-click or positioning your site top 10 popular search engines. Advantages of pay inclusion are that are indexed much faster than submitting through free add URL. There are different pay inclusion program you can search on internet all you need to do is spend few hundred dollars annually as service charge or you can submit your sit using fee add URL search engines like Google etc.

- Travel agencies can also use tourism related service directory or websites that link or feature your details of your tourism service on their website. I would like to recommend www.safarinow.com for better service. They also charge annually few hundred dollars for their service. You can find lots of such directories on web.

- Links from other popular website back to your website is one way of increasing your site's popularity. You need to search for websites that there are the right ones. Then you need to send the webmaster an email asking for a link in exchange for a link to his site. Then you need to setup a link on your site to his site and then you need to check that he has set up a link in return.

- Link popularity travel agencies can also exchange banner of their respective company using barter system asking for one another to setup a banner on each other websites. Or travel agencies can add its company banner in most popular site like msn, yahoo etc by paying few hundred dollars annually.

- These are the few of the promotional way to promote web sites on internet in order to inform about the services on internet. If the correct methods of promotion are used on internet to popularize travel agencies sites definitely it will contribute to promote tourism sector in Nepal to a great extent.

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Alta Vista http://www.altavista.com

ANNEX- 1

Constitution of Tourism Council

1.	Rt.HOn. Prime Minister	Chairman
2.	Hon. Minister/Minister of state of Tourism & Civil Aviation –	Chairman
3.	Hon Minister of finance	Member
4.	Hon. Minister of works &Transport	Member
5.	Hon. Minister of Home Affairs	Member
6.	Hon. Minister of Industry	Member
7.	Hon. Minister of Local Development	Member
8.	Hon. Minister of Forest and soil conservation	Member
9.	Hon. Vice-Chairman, National Planning Commission(NPC)	Member
10.	Member, NPC (In-Charge of Tourism)	Member
11.	Governor, Nepal	Member
12.	Secretary, Ministry of Finance	Member
13.	Secretary, Ministry of Home Affairs	Member
14.	Secretary, Ministry of Defense	Member
15.	Secretary, Ministry of Industry	Member
16.	Secretary, Ministry of Forest and Soil conservation	Member
17.	Secretary, Ministry of Education and Culture	Member
18.	Secretary, Ministry of Local Development	Member
19.	Secretary, Ministry of Foreign Affairs	Member
20.	Secretary, Ministry of Works and Transport	Member
21.	Two Distinguished experts nominated from Tourism Sector	Member
22.	Chairman, Hotel Association of Nepal	Member
23.	Chairman, Nepal Association of Nepal	Member
24.	Chairman, Trekking Agents Association of Nepal	Member
25.	Chairman, Rafting Agents Association of Nepal	Member
26.	Chairman, Nepal Mountaineering Association	Member
27.	Chairman PATA Nepal chapter	Member

28. Tourist Guide Association of Nepal	Member
29. Chairman , Association of Civil Aviation services	Member
30. Secretary, Ministry of Tourism and Civil Aviation secretary	Member

Tourism Development Board

)   His Majesty's Government to nominate 8to10 person from related organizations and private entrepreneurs of the tourism sector in the Tourism Development Board chaired by Hon'bele Minister of state for Tourism.

)   While nominating from the entrepreneurs, selection will be done of those who can contribute in the development of tourism.

)   Member Secretary of the board will be appointed by His Majesty's the Government from among the members.

Classification of Tourism Industry

- Hotel Industry
- Resort
- Travel Agency
- Trekking Agency
- Rafting Agency
- Restaurants and Bar
- Adventurous/Entertaining Tourism Services (skiing, Gliding, cable car complex, Hot Air Ballooning, Gulf Course Polo Horse Riding)
- Tourism related Human Resource Development Centers

ANNEX-III

Facilities and Incentives to the Tourism Industry

) Hotel and Resort are placed in the category of industry receiving national priority and enjoy the facilities provided to the same.

) Apart from Hotel and Resort, other tourism services receive, facilities based on value add employment generation.

) Necessary rebate will be given for import of specified products to specified tourism sector.

) Tourism Industry will be given for import of specified products to specified tourism sector.

) Tourism Industry will be facilitated with communication equipment, electricity and water supply.

) For Hotel, Restaurant and resorts and other tourism services opened in the rural areas specified by the government, will be provided with specified facilities and incentives.

Questionnaire to Travel Agencies

This questionnaire is prepared in order to collect the data for research work to undertake in the partial fulfillment of MBS program, Tribhuvan University. Please take a moment of your time to fill out this simple form. All information enter will remain confidential.

Name of the Travel Agency:

Location:

Date of Establishment:

1. What do you think about the current situation of Travel and Tourism industry in Nepal?

   Poor　　　　Satisfactory　　　　Good　　　　Very Good

2. How do you rate Nepal as a potential destination for tourist?

   Low　　　　Medium　　　　High　　　　Very High

3. In last five years which was the better year for tourism industry?

   2005-2006　　　　2006-2007　　　　2007-2008　　　　2008-2009

4. Reasons for better inflow of tourists in those years? Due to

   Government Promotional Campaign　Government Policy

   Better Environment　　　　Private Sector own promotional efforts

5. In last five years which was the evil year for tourism industry?

   2005-2006　　　　2006-2007　　　　2007-2008　　　　2008-2009

6. Reason for bad inflow of tourist in those years? Due to ……..

   Internal　　　　External factors　　　　Bot

7. Which region do most travelers com from

Asian   European   North American   South American

8. Which promotional medium mostly suits your choice?

Magazines   Personal Contact   Web site   E-marketing

9. Please rate your preference in following factors for healthy tourism (4-high preference to 1-low preference)

Environmental Factor   Political Factor   Promotional Factor

Hospitality Factor

10. Do you have a website?

Yes   Direction: If Yes

No   URL i.e. www……………….

11. What is the reason for having your site?

Promotion   To provide information   prestige   others

12. Please rate your site

Exceeds Expectations   Meets Expectation   below Expectation

No Expectations

13. How long have you been using the internet (including using e-mail, surfing etc)?

Less than 1 month   1to3 years   4to 7 years   Not at all

14. Do you have any idea bout E-marketing?

Yes   no   if no, skip to question no 15

15. What are the promotional tools you are undertaking for promoting your site?

Not at all   E-mail marketing

Search Engine   Including your URL in Tourism related directors

Direction: If email marketing is selected fellow question no: 14

16. Which Email Marketing method you are following?

Normal E-mail   New content notification

News Letters   Bulk email marketing

Direction: If search Engine option is selected fellow Question no: 15